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25 November 1983

NEAR EAST/SOUTH ASIA REPORT

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ATTEMPT IS MADE TO ADVANCE RECONCILIATION BETWEEN IRAQ, SYRIA

Riyadh AL-YAMAMAH in Arabic 19 Oct 83 p 26

[Article by Mustafa al-Khamari: "On the Sidelines at the Arab Information Ministers' Council: The Early Signs of a Syrian-Iraqi Rapprochement"]

[Text] A noteworthy event happened for the first time in Tunis last week, on the occasion of the meeting of the council of Arab information ministers: in the course of its closed sessions the meeting witnessed the first early signs of a Syrian-Iraqi rapprochement, and a climate of optimism reigned over the council when, following a review of the complex events taking place in Lebanon, the chairman of the Syrian delegation presented a memorandum requesting that Syria be supported in its confrontation with the dangers threatening it from the major enemy, Israel, and American provocation in the area.

It had been expected, as was customary, that the Iraqi delegation would have reservations about this memorandum, because Arab meetings in recent years have always given the Iraqi and Syrian delegations an opportunity to express reservations over the recommendations each has presented. This time the Syrian memorandum was passed with the agreement of the chairman of the Iraqi delegation, and the same scenario was repeated in the case of the Iraqi delegation, which did not come up against Syrian reservations when the Iraqi information minister presented a working paper which contained an appeal for peace, to end the war with Iran, which has not responded to numerous acts of intercession, out of its insistence on continuing the war.

Observers and journalists on the sidelines of the meeting of the council of information ministers were able to take continuous note of the cordiality with which the Syrian and Iraqi delegations interacted, causing one diplomat to assert that the coming days would perhaps witness a positive development between the two countries which could perhaps be embodied in the opening of the Iraqi oil pipeline which passes over Syrian soil, which was shut down when a crisis arose in relations between the two countries.

Some informed Arab sources state that the early signs of the Syrian-Iraqi rapprochement were linked to the Syrian demand that Iraq abandon its support for Yasir 'Arafat so that it would be feasible to assemble a Palestinian

National Congress in Damascus which would be given the task of choosing a replacement for the present chairman of the Palestine Liberation Organization. The same information holds that Syria, in exchange, is prepared to review its relations with Iran or at least put pressure on Iran to let up on the war with Iraq.

At the meeting of the council of information ministers, Syria confirmed the rumors that were circulating regarding its dispute with the Palestine Liberation Organization, when the chairman of the Syrian delegation expressed reservations on a memorandum the chairman of the Yemen delegation had presented, calling for support for the Liberation Organization under the command of the leader Yasir 'Arafat. All the other Arab delegations accepted this memorandum and gave agreement to it.

This unanimous Arab position on Yemen's memorandum may be interpreted as an indirect reply to the demand Syria is now making of the Arab countries, that is, that they declare the abandonment of Mr Yasir 'Arafat.

The chairman of the delegation of an Arab country told AL-YAMAMAH, "It is not possible in any event to agree to this Syrian demand, which is to be considered a negation of the Rabat summit resolutions." He added that this sort of resolution lies within the jurisdiction of summits, and every member of the Arab League has the right to insert any subject he considers it fit to insert in the agenda of upcoming meetings of kings and presidents.

This was as far as the form of the matter went; as regards its essence, according to the same source, that required that Arab efforts be combined to find a solution to the Palestinian cause and put an end to the torment the dispossessed Palestinian people are going through.

In this sort of situation, it is a bad idea to seek to fragment or divide Palestinian ranks, because no attempt to co-opt this revolution can succeed, as the Palestinian people will adhere to their independence of decisionmaking; whether Yasir 'Arafat is at the head of the Liberation Organization or resigns from it, the Palestinian people will not allow his successor to renounce the principles of the revolution or deal lightly with its independence for any reason.

Observers at Arab League headquarters in Tunisia unanimously hold that the difficult circumstances which the Arab world is going through make it mandatory that it produce a unified position before the world, which is waiting for a decisive stand on its part.

Arab circles attach the utmost importance to the coming Riyadh summit. The chairmen of the delegations of a number of Arab countries asserted their confidence to AL-YAMAMAH's correspondent that the Kingdom of Saudi Arabia would be able to exert positive influence on the Arab stage, underlining their hopes that the coming summit would arrive at positive results, thanks to the new spirit that the recent Saudi mediation in Lebanon has brought forth, which is considered an important precedent which can have the best of effects on the future of inter-Arab relations.

Finally, we must point out that the council of the Arab information ministers, at its latest, 19th, session, adopted a number of resolutions whose contents the chairman of the Algerian delegation asserted must be kept secret, in order to be more effective.

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ARAB LEAGUE VIEWS ARAB REPORT CRISIS

Paris AL-MUSTAQBAL in Arabic No 334, 24 Sep 83 pp 67-71

[Article: "Arab Trade and the World Economic Crisis: What Will the Arabs Export if the Oil Runs Out?"

[Text] The institutions of joint Arab effort have produced the unified Arab economic report for 1983. The report was presented to the meeting of the Arab Economic and Social Council as well as to the meeting of the Council of Governors of Arab Central Banks. The two meetings were held recently in Tunis. The report contained a presentation of the various facets of Arab economic activity. AL-MUSTAQBAL is publishing the section dealing with Arab foreign trade, which was prepared by the General Secretariat of the League of Arab States.

Foreign trade represents a basic component of international economic relations in general and plays a prominent role with respect to the Arab countries in particular, in view of the importance it has in Arab economic life. For Arab development depends on the export revenue of the Arab nation, on the one hand, and on the effects that foreign trade has had and still has on Arab economic structures, on the other hand.

Foreign trade has encouraged the development of peripheral, export- and service-oriented sectors at the expense of the development of the basic economic sectors. It has encouraged a turning away from primary economic sectors toward peripheral sectors, in accordance with the exigencies of foreign demand and the market mechanism contained in it. This has led to a reinforcing of the Arab nation's position within the system of the current international division of labor, where it is one of the various components which depend essentially on exports of primary materials. Oil, phosphate, and iron are the main such materials. In 1981, they represented 96 percent of the Arab nation's exports. The Arab nation is characterized by great dependency in the area of meeting its needs in the way of industrial products and goods, which make up about 70 percent of its total imports. Consequently, it is considered a big consumer market for the goods and products of the advanced industrial countries, which represent the developed center in the system of the current international division of labor. The ratio of Arab exports to the gross domestic product of the Arab nation shows the extent to which the Arab economies are exposed and influenced by foreign economic crises. This is

especially true since the periodic economic crises have become a persistent, desirable characteristic of the capitalist industrial economies. The degree to which the Arab economies depend on foreign trade went from 39 percent in 1970 to 55 percent in 1981 and 46 percent in 1982. If we know that 70 percent of Arab exports went to the industrial countries in 1981, then this means that the Arab economies depend on the capitalist industrial countries for their economic development at the rate of about 40 percent. This shows the extent to which Arab economic development is affected by the price reversals which dominate the international markets. These markets are controlled by the capitalist industrial countries and their multinational corporations.

Thus, development in the Arab nation depends directly on export revenues, especially revenues from primary agricultural and mineral commodities. The share these goods have of total Arab exports reached 98 percent in 1981. As a result of competition from other producers or from alternative goods, these goods face extreme upward and downward price fluctuations. They must also face protectionist and discriminatory measures when they enter other countries, especially the industrial countries. One example of a good that faces price fluctuations is olive oil. The price of a ton of olive oil fell from \$1823.00 in 1980 to \$1629.00 in 1981, just as it had previously fallen from \$1740.00 in 1975 to \$1225.00 in 1976. The same holds true for iron. Its price fell from \$26.76 a ton in 1980 to \$23.20 in 1981. The same thing is true of phosphate. Its price peaked in 1975 when it reached \$65.00 per ton. It began to decline the next year, falling to \$48.50 per ton. In 1979, it reached \$36.40. Despite the temporary improvement in its price (\$55.00 per ton in 1981), phosphate has not regained the price level it attained in 1975. Then there is oil, the price of which is constantly subject to revision. These goods represent in general the majority of total Arab exports. We have to add to all this another factor: the steady rise in the price of the industrial goods the Arabs import. They represent more than 70 percent of the Arab nation's total imports, thereby causing the imbalance in Arab foreign trade to worsen. The surplus of those countries which are achieving a surplus in their trade balances is falling, while the deficit of those countries that suffer from a deficit in their trade balances is increasing. This is having a direct effect on the Arab balance of payments. It is increasing the severity of its problems, especially in the area of increasing foreign indebtedness.

Therefore, the policy of export-led industrialization, which was supposed to provide a way out of the trap of dependency and underdevelopment has only led the Arab nation to still greater dependency and underdevelopment. The concentration ratio in some Arab countries reaches 100 percent. That is, their exports depend completely on one or two particular goods only. In most cases, these goods are primary materials. The tendency for Arab imports to rise has helped increase the exposure of the Arab economies to foreign economies in general and the capitalist economies in particular. Thus, the ratio of total Arab imports to the gross domestic product was about 38 percent in 1981 and 43.4 percent in 1982, after having been about 33 percent in previous years. This shows the extent to which the dependency of the Arab world on foreign economies, especially those of the industrial nations, for the satisfaction of its basic

needs and the provision of the requirements of development has been increasing. For the share of total Arab imports these countries have is about 78 percent. That is, the Arab nation is dependent on the industrial countries for the satisfaction of its basic needs and the provision of the requirements of development at the rate of 33 percent. The cost of these imports is deducted from the Arab nation's domestic resources in favor of the industrial nation, instead of being used for development within the nation. As a consequence of this exposure, the Arab economies are affected by the periodic economic crises which have come to be a welcome and persistent characteristic of the capitalist industrial economies, and these crises are transferred to the Arab nation through the importation process. This has a negative effect on the economic performance of the various Arab economic sectors.

Directions in Arab Foreign Trade

The industrial countries account for the lion's share of Arab foreign trade, both in terms of imports and of exports. In 1981, their share of Arab exports reached about 74 percent, while their share of agricultural imports reached about 78 percent. The European Economic Community [EEC] accounted for more than a third of the Arab nation's exports and about 42 percent of total Arab imports in 1981. When one compares the present with past years, it seems that the EEC's position is growing in importance, since the EEC represents the Arab nation's number one foreign trade partner, while Japan, the United States and Canada are competing for the number two position in Arab foreign trade. The share of total Arab exports each one of these countries lay between 14 percent and 16 percent in 1980 and 1981. For the same period, each one accounted for between 12 percent and 13 percent of total Arab imports.

There is no doubt that the fact that Arab foreign trade is focused primarily on the capitalist industrial countries has had direct negative effects on the direction of Arab foreign trade on the pan-Arab level. For this vertical integration with the capitalist industrial countries is taking place at the expense of horizontal integration and cooperation between the Arab economies. Indeed, it has created competition between these economies, because the individual incorporation on each Arab state by itself into the capitalist economies causes the creation of similar productive bases in all the countries, as well as the production of competing goods, both on the pan-Arab level and on the international level. The Arab states turn to protecting their manufactures through tariffs and to taking protectionist measures. The distance between the Arab economies and their integration into the capitalist industrialist economies thereby increases. Therefore, we find that even in the best of circumstances inter-Arab trade has not exceeded 5.5 percent of exports (this figure was recorded in 1981) and 11 percent of imports (this figure was recorded in 1976). At the same time, we find that 53 percent of the total exports of an international economic group like the EEC were intra-group exports in 1980, while 51 percent of its total imports for the same year were intra-group imports. The same thing holds true for the group of East European states, which recorded ratios rather similar to those recorded by the EEC.

Moreover, the magnitude of Arab trade flows with both the group of developing countries and the group of socialist countries has been negatively affected by the concentration of Arab foreign trade on the capitalist industrial countries. Comecon's share of total Arab exports has never exceeded 2 percent, and it is tending to decline, since it was no more than 1.3 percent in 1981. This is also the case with respect to the Arab world's imports from the Comecon group, since its share never passed 4.2 percent of total Arab imports. This figure is also tending to decline, as it was 3.7 percent in 1981. What goes for Comecon goes as well for the developing countries, since their share of total Arab imports does not exceed 20 percent, while their share of total Arab exports does not exceed 10 percent. Despite the modest nature of this trade share, it is much better than the level of trade on the pan-Arab level of the Arab nation.

Attempts are being made by the Arab countries and the developing countries, especially the African ones, to encourage trade among themselves. There is no doubt that this is a fundamental step along the way of diversifying the Arab nation's import sources and searching for new markets for its goods and products. In this way, direct dependence on the group of capitalist industrial countries for the provision of the primary goods which come originally from the African countries will be eliminated. Moreover, increasing trade with the group of socialist countries, especially in the area of capital goods, could be an important factor in diversifying the sources of importation for these products, thereby allowing the yoke of economic dependency on the capitalist industrial countries to be thrown off gradually. Indeed, better trade conditions could be achieved with these countries, in the interest of the group of Arab countries.

Despite the great development of Arab foreign trade in the decade of the 70's and the beginning of the 80's, inter-Arab trade remained within its traditional limits, which is to say about 5.5 percent for exports and 11 percent for imports. In 1981, only about 9 percent of total Arab imports were from Arab countries, while exports preserved their traditional level of 5.5 percent of total Arab exports for the same year. It seems that the drop occurring in inter-Arab imports is due to the increase in the share of total Arab imports accounted for by the capitalist industrial countries. It reached about 77.5 percent of total Arab imports in 1981. On the one hand, this was due to the Arab states importing increased numbers of capital goods with which to meet the needs of their development plans and projects, while on the other hand, it was due to increased Arab importation of nutritional goods. The capitalist industrial countries have become the primary source of these goods with respect to the Arab countries because of the shortfall in food production in the Arab world and the increase in consumption which accompanies the growth of a population which has seen its basic needs increase and its buying power grow.

Insofar as the geographical distribution of inter-Arab trade is concerned, one can say that the Gulf Cooperation Council countries occupy the position of the exporter in inter-Arab trade, since their exports to the Arab nation represent about 76 percent of inter-Arab exports, while their imports from the

Arab nation represent about 50 percent of inter-Arab imports. This increase which is occurring in their exports to the Arab nation, results from the rising share of their exports oil has. At the same time, their share of inter-Arab imports has fallen in comparison with past years, since it decreased from about 55 percent in 1975 to about 50 percent of total inter-Arab imports.

As for the third group in the Arab nation, the group of countries in the Arab Occident, their share of inter-Arab trade has remained small. Even in the best of circumstances, their share of inter-Arab exports has not exceeded 4 percent. That was in 1975. It fell to 3.4 percent in 1981. As for their share of inter-Arab imports, it has remained at about 14 percent. This is the highest share they have recorded; it was reached in 1981. These countries' commercial relations with the Arab nation were still limited in 1981, the reason being the special ties of commerce that bind the countries of this group with the countries of Europe. This is especially true with regard to their agricultural exports (citrus fruit and olive oil), early crops, and industrial exports (textile products).

Commodity Composition of Arab Foreign Trade

The commodity composition of the foreign trade of the Arab nation represents the position occupied by the nation within the system of the current international division of labor. In this way, its position is like that of the other countries in the developing world, for its exports are mainly of raw materials, both agricultural and mineral. Such goods made up 98.4 percent of total Arab exports in 1981. At the same time, the Arab nation imports mostly industrial and agricultural goods, which accounted for about 81 percent of Arab imports in 1981. This model of the structure of Arab foreign trade underwent no changes which we can call fundamental between 1975 and 1981. As for the structural composition of Arab imports, agricultural goods went from being 20 percent of total Arab imports in 1975 to 15 percent. This increase occurred because of the increasing need for industrial goods with which to meet the requirements of the Arab world's development plans, as well as the rising prices for such goods in the world market. In addition, there was increased importation of chemical products and oil, especially with respect to the countries which complain of a lack of oil resources. This caused the share of total Arab imports represented by this group of goods to increase from 16 percent in 1975 to 19 percent in 1981.

As for the structural composition of Arab exports, the structural imbalance deepened, since the share of total Arab exports represented by raw materials and petroleum products rose from 96 percent in 1975 to 98 percent in 1981. This means that the Arab countries are heading toward concentrating on the export of a single primary product, instead of diversifying their industrial and agricultural productive base. For their industrial exports fell from 2 percent of the total in 1975 to 1.6 percent in 1981. In similar fashion, their exports of agricultural goods fell from 2 percent of the total in 1975 to .8 percent in 1981. The decline in the exportation of these goods was accompanied by a rise in the importation of them. This means that the Arab

world has not decreased its exports of these goods in order to meet its local needs. Rather, the decrease is the result of a deterioration in the production of these goods in the Arab countries. This is what the statistics show, since food production per person in the Arab countries has registered a yearly decline of between .2 percent and 2.5 percent for the 1970 to 1980 period, with the exception of some Arab countries like Syria (6.4 percent), Tunisia (1.4 percent) and Libya (4.2 percent). Here we must point out the danger inherent in this tendency toward dependence on primary products exports.

One must keep in mind the decreased exchange of these goods, on the one hand, and of the fluctuation of their prices in international markets, on the other. The rate of exchange for cotton fell to 86 percent, for example, while that for phosphate fell to 38 percent in the same period. Their prices in the international market, moreover, witnessed massive fluctuations. The price of a ton of phosphate fell from \$68.00 in 1975 to \$48.50 and \$39.50 in the years 1976 and 1977, respectively. Thereafter, the price rose to \$52.00 in 1980 and \$55.00 in 1981. The same is true of the price of cotton. It was \$1459.00 per ton in 1974. It fell to \$1233.00 in 1975, then rose to \$1947.00 in 1976. Next it reached \$2076.00 in 1980, but then it fell to \$1890.00 in 1981. Naturally, this caused fluctuations in the export revenue derived from these materials. These revenues are considered essential for the continuity of economic development. They are also essential to confronting the continuous increase in imports, along with the increase in the basic needs of the population. This is especially true in those Arab countries that depend primarily on exports of these materials. We mean countries like Morocco and Jordan, with respect to phosphate, Mauritania, with respect to iron, and Egypt, the Sudan, and, to a certain extent, Syria, with respect to cotton.

The situation might seem clearer if we look at the structural composition of Arab foreign trade with the EEC, since the EEC is the primary trading partner of the Arab countries. We note exports of nutritional goods, including oils, citrus fruit and grain, did not account for one-tenth of the Arab states' imports of these goods in 1981. Raw materials and oil accounted for 96 percent of the Arab states' total exports to the EEC for the same year. We find that industrial products, machinery and transportation equipment account for barely 2 percent of total Arab exports to the EEC, while the share of such goods reached 19 percent with respect to the other developing countries. With respect to the industrial countries, such goods make up 70 percent of their total exports. From the standpoint of imports, we find that industrial goods accounted for about 72 percent of total Arab imports from the EEC in 1981, while nutritional goods accounted for 12 percent for the same period. That is, 84 percent of total Arab imports were vital and strategic with respect to the Arab nation. In order to assure itself a supply of these goods, the Arab nation depends absolutely on the capitalist industrial countries. This keeps Arab economic development a hostage to these countries, in accordance with the market mechanism. It is therefore necessary to seriously review the development models being followed in the Arab nation.

Foreign Trade in Agricultural Commodities

In the area of agricultural products, the Arab trade balance shows a continuous and increasing deficit, while the Arab trade balance as a whole shows a surplus. This is because the ratio of the Arab nation's agricultural exports to its agricultural imports has deteriorated rapidly, falling from 36.3 percent in 1976 to 15.5 percent in 1981. This was the result of the continuous growth in Arab agricultural imports, which grew at a rate of 18 percent per year during that period. It is also a result of the slow rate of growth experienced by Arab agricultural exports, which did not exceed 2.3 percent a year during the same period. This led to the creation of a deficit in the Arab agricultural commodities balance. This deficit grew uninterruptedly at a rate which reached about 24 percent a year for the same prior period. From the above it is clear that the deficit in the Arab agricultural commodities balance is doubling every 3 years. It was about \$5 billion in 1976. Then it doubled in 1978, becoming about \$9.5 billion, while it became about \$18 billion in 1981.

This means that the Arab agricultural commodities deficit is constantly deteriorating. It is expected to reach \$90 billion in 1981 prices by the end of the 1980's. At that time, Arab agricultural imports will reach \$94 billion, while at the same time agricultural exports will not exceed \$4 billion. This will make providing food for its inhabitants a real problem for the Arab world, especially since the primary agricultural goods (milk, meat, grain and sugar) made up about 55 percent of total Arab agricultural imports in 1981. This ratio is constantly rising. It rose from 44.8 percent in 1979 to about 51 percent in 1980, and then to 55 percent in 1981. Consequently, most Arab agricultural imports by the end of the decade will be composed of primary nutritional goods, if this ratio continues to increase as it has been. On the one hand, the Arab world will be confronted with the problem of how to finance these imports. On the other, it will have to face the problem of how to obtain these imports, even if the necessary funds are available.

We can clarify this problem by looking at the changes in the ratio of Arab agricultural imports to world agricultural imports. It was about 3 percent in 1970. It rose to Figure omitted in 1976, and then to 8.5 percent in 1981. If this ratio (5.4 percent) continues to increase in the same way, it will reach 18 percent of world agricultural imports in 1990. For world agricultural imports are growing at a rate of 9.6 percent a year, while Arab agricultural imports are increasing at a rate of 18 percent a year. This means the growth rate of the latter is double that of world agricultural imports. Therefore, the Arab world will be a net importer of agricultural goods by the end of this decade, since the ratio of its agricultural exports to its imports of agricultural goods will not exceed 3.8 percent in 1990.

Foreign Trade in Some Basic Nutritional Goods

Four nutritional goods are considered basic to feeding the inhabitants of the Arab nation and essential to feeding any human group. These goods are: meat, milk, grain and sugar. Arab society cannot do without these goods, and their substitutes are difficult for it to come by. This group of goods

accounts for about 55 percent of the Arab nation's total agricultural imports, or 8.5 percent of total Arab imports. It might seem that they make up a small portion of Arab imports, but they were worth about \$12 billion in 1981. This equals about 28 percent of the total value of the Arab nation's consumption of all agricultural goods, including fish. It also equals 50 percent of the Arab agricultural product in 1981. It should be noted that, with respect to this group of goods, the average ratios of exports to imports in the Arab nation are extremely weak. The Arab nation is a fundamental meat importer, since the average ratio of meat exports to imports was 0 during the last 3 years, 1979, 1980 and 1981. With regard to milk, the ratio does not exceed 4.7 percent with respect to the same years. The same thing is true of grain, for which the ratio did not exceed 4.4 percent, as well as sugar, whose ratio barely reached 2 percent during the same period. In general, this commodity group is diminishing, since it is being increasingly covered. Its ratio fell from 3.4 percent in 1979 to 2.3 percent in 1981.

This is what the situation of all the Arab countries looks like with regard to basic nutritional goods. However, the situation does not change much if we look at each Arab country individually. Each Arab country, with the exception of Tunisia, is a net importer of meat. Tunisia exports a little less than half a million dollars of this good. The United Arab Emirates are also an exception, for they re-export no more than \$6 million a year of this good (this for the period 1979 to 1981). At the same time, Somalia and the Sudan are self-sufficient (for the same period of 1979 to 1981). Moreover, all the Arab states are net importers of milk, with the exceptions of Syria and Lebanon. It seems that Lebanon is really a re-exporter of milk, since the value of the quantity exported did not exceed \$2.5 million in 1981. As for Syria, it exported no more than \$5.6 million worth of milk in 1981.

As for grain, which is considered a strategic material as well as being the most important basic material for feeding the inhabitants of the Arab nation, it accounted for more than 50 percent of nutritional goods imports from 1979 to 1981. Grain imports are increasing in terms of both value and quantity. The value of grain imports accounted for about 30 percent of the Arab world's total agricultural imports in 1981. The quantities of it imported exceeded the quantities produced in the Arab nation, since imports reached 26.5 million metric tons in 1981, while production was about 24.5 million metric tons. This amounts to a real food dependency with respect to the Arab nation. This situation will come to a head in the future, if conditions stay as they are now. For the average yearly rate of growth in grain production does not exceed 2.4 percent. This is less than the rate of population growth, which is estimated at 3 percent. This means that the Arab nation will increase its imports of this commodity in order to meet its basic needs in the future. This fact will increase the Arab nation's dependency on the outside with respect to a basic and strategic good: grain. This, in turn, will increase Arab nutritional dependency in general, since the annual rate of growth of food production with respect to the Arab countries is low. Most often, it is less than the rate of population growth, with the exception of some Arab countries.

As for the other Arab countries, the rate of growth and food production per person is negative. It hovers around -2 percent a year. Moreover, the average yearly growth rate of total food production in the Arab nation does not exceed 2.5 percent a year, while the rate of growth of food consumption is more than 5 percent a year. Therefore, the Arab nutritional gap will broaden in the future unless suitable ways are found to increase Arab food production and cut dependence on the outside.

The EEC is considered the Arab countries' primary source. Arab imports of nutritional goods from the EEC reached \$6.3 billion in 1981. This sum represented about 50 percent of Arab imports of nutritional commodities, and about 30 percent of all agricultural commodities imported in 1981. France stands at the head of the European states that export nutritional goods to the Arab world, since it supplies 30 percent of total Arab world imports from the EEC.

12224

CSO: 4404/18

STATUS OF HOTEL INDUSTRY IN VARIOUS GULF NATIONS REVIEWED

London AL-SHARQ AL-AWSAT in Arabic 14 Sep 83 p 19

[Article: "The Hotel Industry, in the Shadow of Recession: The Emirates Are Suffering Severely While Bahrain Has Risen above the Ordeal"]

[Text] Since 1980 the hotel industry in the state of the United Arab Emirates has been facing a real crisis, and it became more severe in 1981. Although last year witnessed a little improvement, with respect to some hotels in the capital and the Emirate of Dubai, especially the first class ones, most other hotels suffered from the problem of obtaining the necessary operating expenses to continue; the movement of businessmen, who constitute the majority of hotel customers, declined, the recession affected domestic tourist activity, and perhaps the atmosphere of war in the Gulf affected foreign trade, which accounts for only a minor portion of the hotel occupancy rate, except in the Emirate of Sharjah, whose official bureaus have been actively organizing tours from Europe and America in the last 2 years.

Since the hotel industry is considered to be a prominent index of the growth in the other sectors, it experienced its peak activity in the mid seventies. The year 1978, as underlined by statistics of the Ministry of Planning in the state of the emirates, was the peak year in terms of the volume of investments in the hotel sector, since investments came to about 1,151,000,000 dirhams as compared with just 206 million in 1975 and 279 million in 1976, having leapt to 1,047,000,000 dirhams in 1977 and then dropping in 1980 to 475 million.

There were justifications for investing in the hotel sector in the period of the sudden "leap" and growth which the emirates witnessed in the seventies in general, but with the advent of the eighties the features of the crisis began to appear clearly, and the volume of growth was greater than what was actually needed, which meant that supply was greater than demand and the owners of these projects became so afflicted with loss that some of them refrained from completing their projects and turned their buildings into furnished apartments or commercial offices. In addition, one hotel in Sharjah was converted into a hospital. [Owners of] some other projects which were in the process of being built had no choice but to gamble and complete the projects, which helped add to the magnitude of the crisis, whose basic

circumstances were tremendous supply, several times in excess of demand, and a gradual drop in the numbers of customers after completion of the major projects.

The result was that hotel managers started resorting to every means to attract customers, who were limited to the category of residents of the country, and hotel advertisements inviting families to spend weekends there started taking up large spaces in the papers and on the streets. Along with them, local agencies actively concentrated on certain antiquities areas, especially in the northern emirates, and in their turn the hotels made every form of new and striking innovation to attract the greatest possible number of clients. Some of them brought in famous troupes, held Arab and European night shows and organized numerous recreational exhibits. Tremendous offers and opportunities for discounts rained down on people's heads, to the point where one hotel in Dubai recently advertised discounts of more than 50 percent for families, free lodging for children, and opportunities to enjoy all the facilities of the luxury hotel, with its green gardens, its soft sandy beach, its azure water, the water of the swimming pool, whose temperature was automatically adjusted to that of the air, horseback riding, sailboats, automobile races, air conditioned sports club, and exercise rooms -- aside from unending children's parties and exciting evenings for adults.

Only the hotels of the capital of Abu Dhabi, which had the lion's share of the conferences the government and various authorities and foreign delegations held, were spared this crisis. In addition, the concentration of oil companies there guaranteed them a constant demand for relatively high occupancy, in comparison with roughly 40 percent in the other towns of the country.

While the hotel industry in the emirates has been going through a serious turning point, in Bahrain, as the people who administer it state, it has managed to emerge from the bottleneck. In the course of the past few months, in spite of the holiday season and the hot summer, it has, to some extent, managed, in a relative sense, to eliminate the phenomenon of an excess supply of and low demand for rooms, which was embodied, at the peak of the crisis, in the fact that more than 50 percent of the hotel rooms in Bahrain were vacant.

In the face of that, after a rapid study, tourist experts discovered that the amount of advertising given to hotels in the country was small and not in keeping with the volume of occupancy they needed and the reception they could receive from a country which occupies a central position in many financial and commercial activities in the area and is the focal point of the activity of many companies and organizations in the Gulf Cooperation Council -- as well as the center of services for airline companies in the area, and the headquarters of the Gulf Airlines Company. More important, the airport has become a connecting link, indeed transit point, between the Far East and the West. Therefore it had to exploit these advantages and concentrate on them in an effort to break the recession in hotels. There had to be some facilities for granting entry visas for tourist activity and transit through the country.

In fact, the authorities responded, and did permit people coming to and leaving Bahrain airport a transit period of 72 hours; in fact, they also permitted transit passengers who were compelled by circumstances to stay in Bahrain for a few hours to go out and make a tour to become acquainted with the country's tourist sites and take meals in one of its hotels.

On the other hand, it was necessary that hotel publicity campaigns in Bahrain be directed to fraternal neighboring Gulf countries, in order to entice more of their inhabitants to visit Bahrain and spend their weekends there. The Gulf Airlines Company gave assistance in this in the form of prices, which were discounted 30 percent in the case of travel and movement among Gulf Cooperation Council countries.

The result was positive, and most hotels in Bahrain, in spite of the slack summer season, started to experience an occupancy rate of more than 80 percent in their rooms, indeed up to 100 percent on holidays and weekends. At the same time, work was begun on a number of programs to attract citizens and people coming from abroad who resided in Bahrain involving nightly open-air dinner parties and entertainments for the most famous international and Arab groups.

Thus, Bahrain's hotels emerged from the bottleneck to the point where some people have thought of increasing the number of hotels there, by building new ones to cope with the coming stage in its life, once the bridge which will link it to the Kingdom of Saudi Arabia is built and it is linked by the first land route to Gulf Cooperation Council countries.

11887

CSO: 4404/71

GULF INTERNATIONAL BANK'S CAPITAL, LOANS TO ARAB COUNTRIES

London AL-MAJALLAH in Arabic No 191, 8-14 Oct 83 p 45

[Article: Gulf International Bank Allocates \$3 Billion for Arab Development]

[Text] The Gulf International Bank has announced that its total commitments to Arab countries amounted to \$3.2 billion in June of this year, and that 78 percent of this amount was allocated for development loans and finance operations in the Gulf region.

Dr Khalid Muhammad al-Fayiz, the bank's director general, says that among this commitments is participation in managing loans, including \$300 million for the Sultanate of Oman, \$91 million for the Darfalah Aluminum Company in Bahrain and 650 million Saudi riyals for the Basic Chemical Industries Company in Saudi Arabia. The bank is also currently participating in managing a loan amounting to \$500 million for the Arab Dhabi Gas Liquefaction Company. Among the most important past operations, in which the bank has participated, were financing iron and petrochemical industries in Qatar and a \$300 million loan to the government of Bahrain 2 years ago, in addition to other loans to the Bahrain Oil Company, the ALBA Company and the Gulf Aviation Company. As of the end of last June, the bank's current commitments in the Gulf states amounted to \$2.5 billion, in the form of medium and long-term loans, commercial credits and letters of guaranty.

With respect to the other Arab countries, the bank has played a leading role in granting many loans, including \$700 million for oil projects in Algeria, \$150 million for the Tunisian government and \$200 million for the government of Jordan. The bank's commitments in the Arab region represent 36 percent of its total obligations which amounted to \$8.9 billion in the first half of this year.

The announcement of these statistics, which reflect the great strides made in the bank's activities since its establishment in 1976, coincided with the statement of the prime minister of Bahrain, Shaykh Khalifah Bin Salman Al Khalifah, in which he expressed his pride in the honorable record that the bank has achieved, which has put it in first place in the Arab World with regard to issuing international loans. The total volume of loans, in which the bank has participated, amounted to \$22 billion in 1983, with the rate increasing to \$13 billion during the first 6 months of this year. This plays a not

inconsiderable role in enabling Bahrain to reach its goal of becoming a financial center on the regional and international levels during the next few years.

Ibrahim 'Abd al-Karim, a Bahraini minister of finance and national economy, who accompanied the prime minister on his visit to the bank's new building in Manamah, stated that the Gulf International Bank is a precursor of mutual Gulf states' reputation in the world and to establishing the extent of Arab capabilities on the international scene.

The bank occupies the 11th spot among all the world banks and is considered the most capable of all the banks in the Middle East in terms of experience and business dealings in 1983. It has achieved this high level of performance with a staff of employees, most of whom are Bahrainis and Arabs. There are 212 Bahrainis in the bank's main headquarters in Manamah, which is some 70 percent of the total number of employees. There are also 20 Arab employees from the other Arab states within the labor force, whose total number is 303. The bank has opened branches in London, New York, Singapore and the Cayman Islands, in which a total of 152 people are employed.

Policy of Bahrainization

The bank applies a realistic policy in the areas of Bahrainization and the gradual elimination of foreign employees. In this regard, Dr al-Fayiz says that the number of Bahraini employees is the best evidence that there is no need to remind anyone of his responsibilities and his role. However, he cautions against the current pressures regarding the issue of Bahrainization, especially in areas which we have not long been accustomed to, which might ultimately harm the Bahraini citizen himself as well as local institutions. "It is very important for matters not to lead the Bahraini citizen to the belief that employment, promotion and an excellent position are his right which he has earned by just carrying a local passport."

The bank spends 750,000 dinars every year on training its employees in courses abroad. At the same time, foreign experts are brought in to share their expertise with the employees during the daily work at the bank's headquarters. It should be noted that the selection of the bank's headquarters to be in Bahrain, and its establishment on the basis of the offshore system, had the largest influence on increasing the offshore banking units in Bahrain, so that their number has now reached 74 units. It was decided that the Gulf International Bank alone should spend in 1983 almost \$30 million in Bahrain in the form of salaries for employees, building rents and the cost of other services.

Rapid Growth

The bank's capital has doubled five times since its establishment in 1967 [sic], it amounted to 200 million Bahraini dinars, or the equivalent of \$530 million, of which in fact \$340 million is the remaining part to be paid in full before the end of 1985. At the same time, the net profit has increased from \$6.6 million in 1979 to 50.7 million last year. The rate of profit recorded another gain in the first 6 months of this year, amounting to \$28 million. This is an increase of about \$3.3 million over the same period of last year.

The bank is owned by the governments of seven Gulf nations, Bahrain, Saudi Arabia, Kuwait, the UAE, Qatar, Oman and Iraq. Each state is represented by a member on the Board of Directors. Tr al-Fayiz says that the governments' ownership of the bank and their support for it was one of the most important factors in its rapid and widespread international growth.

The success achieved by the Gulf International Bank, which was born several years before the establishment of the Gulf Cooperation Council, is considered a good omen for the accomplishments of the Gulf Investment Organization, which has a capitalization of \$2.1 billion, i.e., about four times the bank's capital. Shaykh 'Abd al-'Aziz Bin Khalifah Al Thani, the Qatari minister of finance and oil, expressed hope for the organization by saying that it was the largest and most important joint project established by the GCC nations.

7005

CSO: 4404/80

RECENT MILITARY MANEUVERS DISCUSSED

London AL-MAJALLAH in Arabic No 192, 15-21 Oct 83 p 5

Article: "Gulf States' Military Maneuvers, Part of a Plan to Establish a Rapid Deployment Force Capable of Protecting the Region From Foreign Dangers"

Text The deserts of the United Arab Emirates are the scene these days of the largest gathering of Arab military forces in the history of the Gulf region, since the land forces of the six Gulf Cooperation Council (GCC) nations are conducting maneuvers to test their ability to act as a single group in defense of the region and to execute the combat missions entrusted to them. Shaykh Kalifah Ibn Zayid, the crown prince of Abu Dhabi and the deputy commander of the UAE forces in these exercises which, for the first time, will use modern weapons from the Gulf arsenal that have cost tens of billions of dollars over the past few years, said that they are part of GCC plans to establish a joint rapid deployment force capable of defending the area and protecting it from the dangers and ambitions of foreign intervention. A responsible military source in the UAE said that the goal of this joint force, and the units participating in the maneuvers are considered the nucleus of this force, is to be capable of defending every inch of the Gulf area rapidly and effectively in the event of any outside aggression against it.

The maneuvers, which will last 3 weeks, are the first of their kind involving the forces of Saudi Arabia, the UAE, Kuwait, Bahrain, Qatar and Oman, and are also the first on the Arab level to include the armed forces of six Arab nations. The joint forces have been transported to the al-Hamra' area of the UAE's Western Desert, where joint headquarters have been established to conduct the basic exercises of the various stages of the maneuvers. The final stage of the maneuvers will be with live ammunition. That will occur next week, in the presence of the defense ministers and senior GCC officials.

The timing of the maneuvers just a few weeks before the fourth summit conference of the GCC leaders comes as a clear indication of the importance these leaders attach to military cooperation among their nations, which possess two-thirds of the crude oil reserves in the world and upon whom rests the burden of maintaining the integrity of one of the most important water passage-ways with regard to the world's economy. Shaykh Khalifah Ibn Zayid stressed this point, when he said that the maneuvers "demonstrate the total resolve and commitment of the six nations to the defense of their interests and to

the protection of their resources against all ambitions, and to provide security in this vital region without need of foreign assistance or intervention." At the same time, Shaykh Sa'd al-'Abdullah al-Sabah, the Kuwaiti crown prince and prime minister, announced at the opening of the Kuwaiti National Assembly that protection of the Gulf required the GCC nations to have appropriate defensive capability to enable them to bear their responsibilities in the protection of the region's security. Prince Sultan Ibn 'Abd al-'Aziz, the Saudi Arabian second deputy prime minister and minister of defense and aviation, also emphasized that the maneuvers had great importance for the beginning of the process of normal cooperation and coordination among the Gulf armed forces. Shaykh Hamad Ibn 'Isa Al Khalifah, the crown prince and commander in chief of the Bahraini defense forces, declared that the maneuvers were an excellent translation of the decisions adopted by the GCC nations to build a joint force capable of protecting the area and the Arab and Islamic homelands. The true significance was mentioned in the statements of Shaykh Hamad Ibn Khalifah Al Thani, the crown prince and minister of defense of Qatar, who a week ago conducted detailed bilateral discussions about matters of security and defense with the leaders of Bahrain, and the statements of Yusef al-'Alawi, the minister of state for foreign affairs of Oman, which is taking on the vital role of ensuring freedom of navigation in the Straits of Hormuz.

Air and Land Maneuvers

It is worth noting that these exercises, which will be conducted under UAE Air Force cover, will be followed next February by maneuvers in which the air forces and air defense systems of all the Gulf nations will participate. Then there will be other maneuvers which will include the naval forces. That will complete the elements of an integrated defensive system that will establish a protective wall around the area and that will represent a shield protecting it against the arrows of greed no matter what their source may be. This is the significance in the choice of the name "peninsula shield" for the first of the Gulf military exercises on the regional scene.

The third Gulf summit, held in Bahrain last November, approved a group of recommendations prepared by the GCC defense ministers, but which were not announced at the time. Some of them are being quietly implemented, while plans are being made to announce some of the others at the appropriate time. Among these recommendations were points pertaining to purchasing arms and equipment, to war industries and to practical and technical ways to give the armed forces the capability to act as a homogeneous and integrated whole, which will change the air spaces and shores of the region into a blazing inferno and establish a wall of fire around them if the need requires. Shaykh Sa'd al-'Abdullah al-Sabah, the Kuwaiti crown prince, delivered a speech at his farewell to the joint Kuwaiti force participating in the maneuvers, in which he said: "The series of joint Gulf exercises is aimed at applying advanced military techniques with the full coordination of the GCC armies." In this regard, he also concentrated on the extreme importance that the GCC attaches to the human element, for the purpose of solidly basing the defensive force on the shoulders of combat personnel trained in the skills and science of modern warfare and equipped with modern defensive and offensive weapons.

Shaykh Sa'd al-'Abdullah shed more light on the efforts that Kuwait is making to upgrade its forces. He revealed that there are a number of young Kuwaitis now being trained on modern military boats equipped with long-range guns, anti-aircraft artillery and surface-to-surface missiles. He said that this concentration on naval forces comes after the Kuwaiti armed forces had made considerable progress establishing an integrated air defense system, which includes early warning equipment and air-to-air missiles, supported by a modern fleet of fighter aircraft and military transportation aircraft. Shaykh Sa'd added that "when we provided the armed forces with the most modern weapons of all kinds, our point of departure was our perception of our national duty regarding the issues of our Arab homeland, and especially the Palestinian cause." It is worth pointing out that the Kuwaiti force participating in the maneuvers is the Second Mechanized Infantry Regiment, established in 1961 and which included a force from the Yarmuk Brigade, which according to military analysts fought with proficiency during the 1967 and 1973 wars on the Egyptian front.

7005

CSO: 4404/80

GULF STATES PLAN TO INCREASE CONSERVATION, REDUCE CONSUMPTION

Paris AL-MUSTAQBAL in Arabic No 346, 8 Oct 83 p 51

[Article: "Will the Arab Gulf States Begin to Guide Consumption in 1984?"]

[Text] The oil slump which the Gulf nations have experienced this year has caused the governments of these nations to look into ways of limiting expenditures. It is not sufficient to curb administrative expenditures, limit development projects, or delay more than half of them. On the contrary, collective ways of reducing expenditures are being looked at on the Gulf Cooperation Council [GCC] level, so that there will not be one affluent nation and another poor one in the same picture. Last August, Gulf experts met in Riyadh, where they studied practical ways of curbing the extravagance in which the societies of the Gulf nations live, especially as pertains to wasting energy. Dr 'Abdullah al-Quwayz, the assistant secretary general of the GCC for economic affairs, who is one of the most prominent persons who shared in drawing up the Gulf Economic Agreement, which was scrutinized to find ways of squeezing out expenditures or extravagance, says that perhaps the highlights of those are:

1. Experts in the Gulf Oil Cooperation Committee have strongly emphasized the need to guide the consumption of petroleum products through raising the prices of these products, which are at least half the price of their counterparts in most places in the world. Raising the prices of these products would force consumers to economize in the use of gasoline and other types of fuels and oils, either through reduced consumption or through purchasing automobiles and vehicles that are more economical in fuel consumption, as was done in the industrial states and the rest of the nations of the world after 1973. The Organization of Arab Oil Exporting Countries [OAPEC], with headquarters in Kuwait, is the most enthusiastic about raising the prices of petroleum products in the Gulf states. It has previously made studies concerning the trends of the growth of consumption of these products, in its member Arab states, indicating that at-home consumption of these products and the growth market for oil exports increase at higher rates, so that only a few years will pass until the amount consumed domestically will equal the exports. If the situation continues during the Nineties as it is today, consumption at home will outstrip exports.

2. The undersecretaries of the GCC ministries of electricity studied the possibility of raising electricity prices to at least the level of actual cost. They formed a special committee to study ways of guiding the use of electrical energy. Moreover, it is clear from statements of electricity officials in the Gulf states that the first stage would be to use the method of enlightenment. In fact, Kuwait and Bahrain have begun to enlighten their citizens about the need to stop waste in the use of electrical energy and have authorized rationing in concert with putting the actual value on energy. However, evidently the method of enlightenment will not be enough, according to the views of the experts. It will be necessary to raise the price of electricity to a reasonable level, which is the level of cost, as well as including investment costs. The governments of most of the Gulf states subsidize the price of electricity at varying rates. This does not result in the needed profit, so that, for a long time now, Bahrain has imposed electrical energy prices at close to cost. Therefore, Bahrain is considered the most enthusiastic of the Gulf states for the idea of raising electrical energy prices in the Gulf states to at least the level of Bahraini prices, so that the differences in the prices of current would not affect competing Bahraini power, so that it and its partners would in the near future reach a state of economic unity. It should be mentioned here that Kuwait spends about 150 million dinars annually as subsidies for electricity. It doubled its prices in 1981, but despite that, the price of electricity remains very low.

3. Duplication in the development and production projects is considered by Gulf experts to be one of the most important causes of waste in the Gulf area. It is well known that growth production projects are very costly in the Gulf area. That can be proven just by referring to the fact that the cost of constructing a medium-sized petrochemical complex exceeds \$1 billion, while the cost of building a modern international airport also exceeds \$1 billion, without touching on other production projects by which the Gulf countries gratify their desires, such as cement and construction materials projects. Nevertheless, there are still plans to build more of them. Note that the oil glut crisis has reduced the need for building materials in general.

4. Technological middlemen. By this is meant the foreign consulting engineering firms. It is a fact that they have accumulated billions of dollars from the Gulf states for jobs derived from similar growth and production projects. Opinions agree on the necessity of exchanging technical expertise among these nations.

5. The need to use unified customs policies to curb consumer extravagance and to get the Gulf citizen to share in carrying the burden of expenditures. It is clear that this goal, which was mentioned by Dr al-Quwayz, is still off in the future, because a principal consideration is that the commercial and consumer life be based on either on no or minimal customs fees. Therefore, it would be difficult to apply effective customs policies over the short haul. However, raising the prices of petroleum products and electrical energy, and raising customs and other incentives, apparently would not be done in the production sectors. Dr al-Quwayz strongly emphasized that

abolishing waste must only be done over the long haul in terms of consumption. He believes that the industrial sectors are sharing in diversifying the sources of income and achieving pressure on the oil profits. He goes beyond that when he anticipates that the petrochemical industry, the oil refineries, and the aluminum, cement and iron and steel factories will be the mainstay of national income in the GCC nations. However, he points out another source of income, foreign investments, which have begun to constitute a basic part of the national income. The belief persists that the Gulf governments may pursue a policy of stages in fixing the prices of petroleum products and electrical energy, so that that will not stir up social fears or lessen current opportunities. However, these stages might be shortened if the oil situation and profits worsen. It is evident that 1984 will be the year in which the decision will be made concerning the elimination of extravagance in light of the oil factors.

7005

CSO: 4404/80

TURKISH PERIODICAL DISCUSSES ARMENIAN QUESTION

Istanbul MIDDLE EAST REVIEW in English Nov 83 p 12

[Article by Deniz Banoglu: "The Armenian Question on the Agenda Again"]

[Text] In last month's issue I stressed that Turkey must inform the world public about the Turkish standpoint, by organising panels and seminars. It is not sufficient to merely denounce the Armenian terrorists and organisations which claim to be 'resorting to terror in defence of a cause' and which have proclaimed to the world that they will continue to attack Turkish diplomats and organisations until they 'have forced Turkey to agree that they are justified.'

One of the most important steps in this direction taken so far is the meeting to discuss the Armenian question, scheduled to be held in Chicago in November. It will mark the beginning of a scientific illumination of the subject.

The meeting is part of the conference organised by the North American Union of Middle Eastern Studies at which a variety of world issues, including the Middle East, will be discussed. The Armenians requested the inclusion of the Armenian question on the agenda, asking that four panels be devoted to this subject. Turkish scholars and historians in the United States responded with a request to include the Turkish case on the agenda and two panels have been reserved for the discussion of the Turkish viewpoint. As a result of their endeavours Armenian lecturers and organisations in the United States were rewarded with the allocation of four panels to the Armenian cause, two devoted to Armenian history and two to the alleged Armenian massacre.

That Turks were included in two panels was due to the efforts of Professor Halil Inalcik and Professor Kemal Karpat, who live in the United States. The Turkish Foreign Ministry is to send several university lecturers to America to attend these panels.

The North American Union of Middle East Studies is a highly influential and respected organisation, whose members are all experts on various aspects of the Middle East region. Therefore the conference will be on a completely scholarly level and relevant historical documents are expected to be presented at the panels. This will be the first occasion that the Armenian question has been approached with a serious and scientific attitude. It is possible that as a result of the panel discussions some light will be thrown on the fallacies of the Armenian cause.

This conference offers the first opportunity for Turkey to present documentary evidence concerning the issue, to a meeting at which international questions will be discussed. From this point of view the conference is of great importance. The Armenians endeavour to publicise their views via international agencies as well as by means of terror. Turkey failed to adopt an official stance in response to the Second world Armenian Congress held in Lausanne in July. Now is her chance to reply to the Armenian allegations. It is high time that Turkey put forward scholarly counter-arguments to the Armenians' endeavour to legitimise their cause, and combats Armenian terror with convincing rebuttals. While on the one hand the illegal Armenian terrorist groups continue their attacks, on the other the Armenians have inflated the issue to the extent where they now have the temerity to demand redress for the events they claim to have occurred in 1915-1916. Their audacity has increased to the point where they have identified Turkish Foreign Minister Iltur Turkmen as a target of attack.

Even if we were to assume that the Armenian cause were a legitimate one, accepted as such by the world it could still never justify resorting to terror in order to solve it. The killing of innocent individuals can benefit no one, as evidenced by many past examples.

If we put aside for a moment the interests of the super powers and the generally deplored expansionist policies which they implement for international economic and military reasons; today, every nation is ensconced within its own national boundaries and accepts the principle of non-violation of another country's rights and interests. Events of the past and present are regulated by specific articles in international and bilateral agreements. Under the threat of a nuclear frenzy which could at any moment destroy the world, and in the face of a rapidly accelerating arms race, humanity has at no time in the past felt such a great need for peace and friendly relations. At such a time the deluded stirring up of the ashes of the past can do nothing but harm. A past, moreover, which can only disprove the Armenian claims.

CSO: 4600/100

ARMENIAN GROUPS REPORTEDLY MOVE HEADQUARTERS TO TEHRAN

London AL-DUSTUR in Arabic No 302, 5 Sep 83 pp 19-20

[Article by Dr 'Ali Nurizadeh: "Armenian Terrorist Organizations Move Their Headquarters to Tehran"]

[Text] Last week a large bomb exploded in the French consulate building in West Berlin.

As reported by the news agencies, the Armenian Liberation Army was behind the operation. If we look at similar events that occurred in recent months in France and French interests abroad, we find that in all these cases an Armenian group publicly claimed responsibility for them. The role of the Iranian regime in incubating and supporting Armenian organizations cannot be ignored. What is the connection between the Khomeyni regime and the Armenian "terrorist" organizations? The first Armenian movement to claim responsibility for the attacks against French institutions in Iran in July and August was the Armenian Secret Army for the Liberation of Armenia [ASALA]. Although this army was organized in the 1960's, it was the first time that it issued communiqués from Tehran.

It can be said here that the Tehran operation directed against France was not so much a protest against the detention of members of the Secret Army as it was a declaration of war by the Iranian regime against France because of its policies toward the regime and its friendship with Iraq and because of its humanitarian position on the Iranian resistance in France.

After the bomb exploded in the French embassy in Tehran, Iranian newspapers published a communiqué put out by ASALA which said: "We will attack French institutions until our comrades in French prisons are released." If we look for the beneficiary of the destructive attacks against France, we will find it to be none other than the Iranian regime.

More than half a million Armenians are now living in Iran, and they are rich and influential. Because they do not meddle in political affairs and are absolutely subservient to the regime, the latter relies heavily upon them. They have a representative in Parliament named Dr Khalatian. Then too an Armenian serves as an economic adviser to the president of the republic. All

this is in addition to the fact that important government agencies and departments are managed by Armenians.

In contrast to what the Khomeyni regime did to other minorities after it came to power in the way of killing, torture, detention, and expulsion from government posts, it allowed the Armenians to enjoy its special favor and they were even allowed to drink wine in public.

In 1980 when Archbishop Dehqani, head of the Anglican church, was arrested on the charge of spying, the attitude of the authorities toward the Armenians did not change. And we must not forget that the Iranian authorities released the archbishop and members of the archdiocese after a representative of the British Bishop of Canterbury visited Tehran.

The Armenians live not only in Tehran but in Isfahan and in the Urumiyah region near Turkey.

After Khomeyni came to power and when a meeting of the world's terrorist organizations was held in Tehran, an Armenian delegation called ASALA took part in the proceedings.

After the meeting, the delegation established its headquarters alongside the offices of many fictitious organizations whose proclaimed goal is to liberate the world!

The Khomeyni regime wanted to play the Armenian card against Turkey because the latter allowed some of its opponents to carry on their activities within Turkey, especially in the border regions.

It will be recalled that some Iranian opponents like General Aryana, the Iranian Liberation Army, and the Trade Union Organization would send their forces into Iran on suicidal missions against Khomeyni's Guard. In April 1981, the rebels succeeded in crossing the borders and entering the city of Maku where they seized 70 of Khomeyni's men. Because of the leniency of the Turkish authorities, the borders were virtually open to the regime's adversaries and to those who wanted to flee from the country.

Reacting to the Turks' leniency, the Iranian authorities supported Armenian groups. Before the Israeli invasion of Lebanon, some leaders of ASALA traveled to Tehran, where they were welcomed by the Iranian authorities, in order to move the headquarters of the movement from Beirut to Tehran. The Armenians were then given bases and barracks on the Turkish borders and provided with instructors in the use of various weapons.

When the Turkish authorities objected to the Armenian rebels' bases on the borders, the Iranian authorities responded with a similar protest regarding the activities of the Iranian resistance in Turkey.

The result was that the two sides accepted both the principle of keeping an eye on the Iranian regime's opponents in Turkey and the Armenians in Iran and an improvement in relations, especially in matters of trade.

Four Armenian organizations have offices and bases in Iran: ASALA, Revolutionaries of the Progressive Front to Liberate Armenia, League for the Armed Struggle Against the Turkish Occupation, and the old Dashnak and Tashnaq associations. There are also some political organizations like the Alik and Ararat association.

Now when the Iranian regime needs Turkey, it tries to use the Armenians in its war with France.

The French government knows full well the part that is being played by the Khomeyni regime in equipping and supporting Armenian (terrorist) groups. The French police, as published in L'EXPRESS and FIGARO, uncovered documents showing the involvement of the Iranian embassy in Belgium with the Armenian groups that attacked the French institutions in Belgium and France.

Some news dispatches say that the Armenian Liberation Army leaders promised the Iranian authorities they would not carry out sabotage operations against Turkey these days. Rather, in compensation, they would concentrate on attacking French institutions. And for their part the Iranian authorities promised to send them weapons and ammunition through the diplomatic pouch.

An Iranian Armenian leader in London, Rudolf Aghabeghian, says: "Those who enjoy the support of the Iranian regime do not constitute a majority of the Iranian Armenians. Rather, they are from the Armenians of Syria, Lebanon, Turkey, and even France itself. As for the Armenians in Iran, they talk about the same wave (of revolution) that the Iranian people talk about. Some cooperate with the regime and enjoy its favor while others oppose it and are executed or imprisoned. However, the evidence that only a small number of Armenians oppose the Khomeyni regime rests on two realities. One is related to the nature of Armenian society in Iran and the employment of Armenians in technical work, which prevents them from becoming involved in politics. The other reality is the continued spectre of the historic massacre of the Armenians in Turkey and the thought lying in the subconscious of Iranian Armenians: 'We are still afraid of being massacred in the country in which we are residing.'"

Finally, we must remember what an Armenian leader said when he met one of the Iranian resistance leaders in Paris: "Khomeyni may be a Judas to you, but he is the spirit of holiness to us, for he gives us money and arms."

5214

CSO: 4604/4

PAPER COMMENTS ON EXPANSION OF RUSSIAN LANGUAGE IN ARMENIA

GF061408 Beirut AZTAG in Armenian 5 Oct 83 p 4

[Unattributed article entitled: "The Excessive Expansion of the Russian Language in Armenia"]

[Excerpts] We have often reflected in these columns on the excessive expansion of the Russian language in Soviet Armenia--an appearance which is full of heavy consequences, which evokes resentment from the national point of view, and which is taking place through particular governmental planning and with direct or indirect constraint.

The speedy expansion of the Russian language as a plan at the preschool age, from kindergarten through university, from cities to rural districts, in all republic or all-union establishments and services, within all fields of written or verbal expression, art, science, handicraft and architecture, is not being carried out everywhere in a simple way, but is being overfulfilled through special state measures.

For example, those special measures include the more reformed condition of the Russian-language schools every year, as well as the fast increase of their numbers to that extent that the Armenian republic colleges are faced with the situation of being a poor relation, with all its bad consequences.

For many years now it has been a standard thing in Armenia to consider Russian as the "language of October," "Lenin's Language," and, the most uninventive one of all, the "second Mother tongue."

If it was not so tragic we would have found the so-called "second Mother tongue" idea simply funny. Indeed, we know that a person can have only one Mother tongue, and that is the first and the last. The rest cease to be a Mother tongue and are not even a "Father tongue," but simply a foreign language. Neither "October" nor Lenin, nor Leninism can change any of this truth.

However, let us leave the "door-knocker" and run after the deteriorating "windmill," which is the excessive expansion of the Russian language in the Armenian fatherland to the disadvantage of the Armenian language, the true Mother tongue.

In order to give a simple idea about that expanding dangerous situation we will be satisfied on this occasion to merely mention concrete evidence taken from well-informed sources in order to "illuminate" the slippery thoughts of the world diaspora.

For example, according to those well-informed sources, in 1950 there were seven to eight Russian schools in the entire Soviet Armenia and the number of Armenian students attending these schools did not exceed 10 percent.

Today--that is, only 3 years ago in 1980--70 percent of all the music schools of Armenia are Russian. There are 33 Russian schools in Yerevan alone, as opposed to the 150 Armenian schools. That is, out of six schools, one is Russian.

Despite the fact that over 1 million Armenians live in the various regions of the RSFSR, not one Armenian school operates nor is a newspaper issued. The HAYRENIKI DZAYN, weekly which is appropriated for the Armenians abroad and other newspapers are even forbidden to expand within the Armenian communities in Soviet republic.

Moreover, the number of those over 1 million Armenians is reduced to 365,000 in official government statistics. Those Armenians who desire to send their children to Armenian schools, return to their national roots and create an Armenian communal life or organization, are considered undesirable and pursued as "nationalists" or reactionaries.

The "Committee of Cultural Relations With Compatriots Abroad," which issues so many creaking speeches to rescue the Armenians overseas from "dispersion" and "degeneration," does not even have the right to think about the Armenians in Soviet diaspora who are abandoned, deprived of their rights, and are facing a greater danger.

The party and government authorities of Soviet Armenia, who give so many lessons on maintaining the Armenian origin and patriotism to the Armenians abroad, have not the right nor dare to engage in the needs of the Armenians in Soviet diaspora in any way.

They do not have the right to reconstruct the old schools in Soviet-Armenian diaspora (Karkov, Armavir, Rostov, Southern Caucasus, Krasnotar, Stavropol, Crimea, Nor Nakhichevan, Moscow, Tashkent, and so forth), nor do they have the right to open new ones or even demand the teaching of Armenian courses in Russian schools and educational establishments in the districts populated with Armenians. They do not even have the right to be interested in the destiny of the Soviet-Armenian immigrants.

Why are we going far? The Armenian authorities do not have the right to even engage in the fate or needs of maintaining the Armenian origin of the Armenians in neighboring Azerbaijan or Baku. Dozens of Armenian schools were closed down in that neighboring country and today over half a million Armenians do not have the means to give an Armenian education to the new

generation. In the capital, Baku--populated with Armenians since ancient times--where there were 76 Armenian schools in 1944, not even a single Armenian school exists today.

We do not even want to talk about the unconsolated condition of the Armenians in other Soviet republics--with the exception of Georgia perhaps.

In this way over 2 million Armenians living in the Soviet republics become Russian speakers and march on the path of Russianization.

Due to the obligatory expansion of the Russian language, approximately 35 percent of the Armenians in Soviet Armenia today speak fluent Russian as "the second Mother tongue"--glory to Lenin.

Certainly, the Armenians abroad cannot remain indifferent toward this picture, which gives a slight idea about the prevailing serious situation.

However, we shall speak about that on another occasion.

CSO: 4605/13

ISLAMIC AFFAIRS

ISLAMIC DEVELOPMENT BANK'S ACTIVITIES REPORTED

London AL-SHARQ AL-AWSAT in Arabic 5 Oct 83 p 7

[Article: "Approval of Budget of Islamic Development Bank and Budget of Islamic Research and Training Institute; \$19.5 Million From Bank To Finance Commercial Transactions for Tunisia and Yemen and To Loan To Djibouti"]

[Text] Jiddah--The Executive Board of Directors of the Islamic Development Bank agreed during the meetings of its 65th session which were concluded yesterday to approve financing of a number of foreign trade transactions between the member Islamic countries amounting in value to 18,555,000 Islamic dinars of the equivalent of \$19.5 million.

The total number of projects and transactions which the bank has agreed to finance during the year 1403 A.H. thus reaches 80 transactions valued at 646.5 million Islamic dinars or the equivalent of \$770 million.

The board approved financing for two foreign trade transactions between the Islamic member states valued at 16.65 million Islamic dinars or \$17.5 million. The transactions provide for importing sulfur from the kingdom for the Tunisian Government for a sum of 9.05 million Islamic dinars, or \$10 million, and for importing crude date palm oil for the YAR Government from a member state for a sum of 7.13 million Islamic dinars or \$7.5 million.

The board has also agreed to advance a loan to the government of the Republic of Djibouti for an agricultural project intended to reclaim 240 pieces of land distributed in 4 provinces. This project will enable Djibouti to produce 3,000 tons of vegetables and fruits, thus allowing it to reduce by nearly one half its imports of these commodities. The value of the loan is 1.12 million Islamic dinars or the equivalent of \$2 million. The loan will be repaid over a period of 18 years, including a grace period of 4 years.

During its session, the board familiarized itself with the special report on the experimental project to utilize the meat of gift and sacrifice animals and with the efforts exerted to send 1,056 tons of such meat in 29 air trips to Muslim refugees in Pakistan, Sudan and Djibouti. It has been decided to go forward in this important Islamic project in cooperation with the kingdom's concerned authorities.

During the session, the board prepared the agenda for the eighth annual meeting of the Board of Governors of the Islamic Development Bank which has been scheduled to convene in Jiddah on the first and second days of the next month of Jumade al-Thaniyah.

The board has also approved the bank's budget and the budget of the Islamic Research and Training Center for fiscal year 1404 A.H. The board has further approved the amount of academic grants which the bank will advance in 1404 A.H. to male and female students from non-member Islamic countries.

8494

CSO: 4404/99

TUNISIAN, SAUDI CONFERENCE TO DISCUSS BUSINESS VENTURES

London AL-SHARQ AL-AWSAT in Arabic 28 Sep 83 p 7

[Article by al-Sirr Sayyid Ahmad: "Conference of Saudi and Tunisian Businessmen Organized by Investment and Development Company for November"]

[Text] Tunis--The Saudi-Tunisian Investment and Development Company is organizing a conference for businessmen from both countries to be held on 7 November 1983 in Tunis. Tunisian Prime Minister Mohamed Mzali is expected to open the conference. Abdelmajid Ben Hamado, the firm's director of foreign relations, has stated this to AL-SHARQ AL-AWSAT.

The conference, the first of its kind, seeks to introduce businessmen in both countries to each other so that they may discover opportunities for joint investment and cooperation. It is expected that a number of specific projects will be presented for discussion. Moreover, the conference represents one aspect of the company's activities in developing cooperation between the kingdom and Tunisia.

The company was founded in the middle of 1981 with a declared capital of 100 million Tunisian dinars (nearly \$200 million at the time). The capital is owned equally by the two countries and 40 percent of this capital has been paid. It is expected that the rest of the capital will be paid over the next 5 years with the expansion of the company's activities.

The company's activities are distributed in the sphere of commerce financing, of advancing loans and of contributing to whatever develops the Tunisian economy. This is why the firm has established 5 departments for studies, industrial projects, agriculture, real estate and tourism and financial and administrative affairs. The board of directors, comprised of 5 members, is chaired by Dr Mahsun Jalal from the kingdom. The post of general director is held by al-Sadiq Bahrin from Tunisia.

The company has completed drawing up a 5-year plan that seeks to contribute to the 5-year development plan adopted by Tunisia for the 1982-86 period. By the end of last year, the firm had undertaken commitments amounting to 73.7 million dinars, of which it has actually disbursed 33 million. The company has allocated 49.5 million for loans and the rest for participation in the capital of a number of projects. A total of 34 projects will benefit

from this participation, including 15 projects in the conversion industries sector, 11 commerce and real estate projects and 3 energy projects. The total investments in these projects amount to 394 million Tunisian dinars and the projects are expected to provide 5,660 job opportunities.

As for the next 5 years, Ben Hamado expects the company's commitments to amount to nearly 400 million dinars to be financed as follows: 100 million dinars from the firm's capital, 40 million dinars from the firm's revenues from its various activities and transactions and 250 million from the financial markets and from other firms. In addition to the businessmen's conference, the firm sees in energy and petrochemicals another sphere for cooperation between the two countries as the kingdom's hydrocarbon resources can contribute to meeting the needs of the Tunisian petrochemicals industry. It is well known that Tunisia imports nearly 1 million tons of sulfur annually to feed its petrochemicals industry. Last April, Abdelaziz Lasram, the Tunisian minister of economy, stated that his country plans to purchase quantities of petrochemical products from Saudi Arabia. One of the projects being currently studied is the construction of a polyester plant in Saudi Arabia and a textile plant in Tunisia.

This joint Saudi-Tunisian firm constitutes a prominent landmark in the development of relations between the two countries, especially in the economic sphere. Through the Saudi Development Fund, the kingdom has contributed to financing numerous projects. The Fund's loans since 1980 have amounted to more than 800 Saudi riyals. This year, the Fund is expected to advance nearly 259 million riyals in loans to Tunisia.

8494

CSO: 4404/99

GOALS OF SECOND 5-YEAR PLAN FOR AGRICULTURE ANNOUNCED

Algiers IL MOUDJAHID in French 11 Oct 83 p 2

[Text] The second 5-year development plan (1985-1989) will be a major step for agriculture in its efforts to reduce the nation's food dependency through steady improvement in Algeria's own farm production, according to a document prepared by the Ministry for Agriculture and the Agricultural Revolution (MARA).

The programs to be adopted, says the document, will be sensitive to the demand trend and to the crucial importance of improving the per capital level of nutrition. On a broader scale, they aim at providing "total coverage of requirements in such basic foods as fresh and dried vegetables [peas and beans], fruit, and white meats." and to reduce the country's dependency on imported commodities such as cereal grains and milk.

The mission is the more onerous, says the text, in that Algeria's arable land (7,500,000 hectares) is all there is. That means better utilization of existent land and water resources through direct action in the areas of irrigation practices, farming techniques, land use governed by suitability for specific crops, and mechanization....

These goals can be achieved, says MARA, thanks to measures adopted as part of the restructuring of the socialist agriculture sector, begun in 1980, in the areas of organizing and staffing production units and in redeployment of technical and logistical support structures.

This means that, in the course of the Plan, irrigated land will be increased by 73,000 hectares, thus bringing the total to 420,000 hectares. In view of these priorities and of the constraints of crop rotation, the 73,000 newly irrigated hectares will be split up among muck-farm crops (33,000 hectares), forage crops (22,000 hectares), and other crops (tree crops, summer grains: 18,000 hectares).

Land planted to cereal grains (3.1 million ha in 1983 and 3.2 million in 1983) will be reduced somewhat under the new Plan (to 23,000 ha in 1984), as a result of shifting some cereal grain operations out of marginal mountain and steppe lands where yields of such crops are very low.

This cutback in acreage, adds the document, will be offset by an increase in yields. That increase, estimated at 20 percent, will make way for an increase in overall grain production, which was particularly low in 1983, with 12 million quintals as against 21.98 million quintals in 1980, owing to the drought. The domestic sufficiency rate in cereal grain products should rise from 51 percent in 1984 to 54 percent by 1989.

Responding to National Needs

As for dried vegetables, anticipated production at the end of the 5-year plan will cover all of domestic demand. On the order of 2,575,000 quintals in 1989, it will be achieved by expanding plantings (300,000 ha in 1980 as against 122,000 in 1983 and 225,000 in 1984), and intensive mechanization.

Muck-farm plantings (225,000 ha in 1983) will be considerably expanded (to 543,000 ha, 33,000 of them irrigated), which should make it possible by 1984 to produce a surplus for export, mainly in out-of-season crops. Fresh vegetable production will be increased by 64 percent over the 1984 forecasts, to 3.8 million quintals as against 2.26 million. This rise will be achieved by expanded irrigation and intensified "sheltered cropping," with 8,000 ha under plastic by 1989.

Forage crops will rise from 722,000 ha in 1984 to 869,000 in 1989, an increase of 125,000 ha, 22,000 of which will be irrigated.

As for fruit production, the goal is to satisfy all domestic requirements. Grove and orchards will involve 114,000 ha, 11,000 of which will be irrigated. Wild-crop zones and olive groves will cover 100,000 ha between them.

Wine Growing: Increasing Production

As for winegrowing, the goal is to develop a high-quality vineyard on some 160,000 ha, capable of turning out annual vintages for export on the order of 3 million hectoliters. The wine-grape development program will involve 50,000 ha to be cleared and 8,000 ha of existing vineyards.

Plan goals for animal production (red meats, white meats, fresh eggs, milk) will help cut back on imports, since it is still hard to meet domestic requirements, mainly because of the production cycle in large cattle. The demand for meat products, for example,

will rise from 195,000 tons in 1984 to 277,000 in 1989. Forecasts of increased production call for 20,000 tons in 1989, an increase of 17 percent over 1984.

MARA's document concludes with an emphatic reminder that achieving these goals will always depend on the implementation of the measures adopted for the good of the sector, particularly those having to do with financing conditions, technical support for production, improvement of living conditions, of working conditions, and improved education.

6182

CS0: 4519/7

PROGRESS OF SOUTH'S DEVELOPMENT ASSESSED

Algiers EL MOUDJAHID in French 25 Oct 83 p 3

[Article by A.B.: "Development of the South: the First Fruits of Progress"]

[Text] "The policy of regional balance aimed at putting in place an urban framework harmoniously distributed throughout the country while making rational use of human potential." (National Charter)

"The policy of regional balance is supported by special programs drawn up in collaboration with the popular masses themselves." (National Charter)

A mere few years ago the South appeared on postcards as pictures of Epinal: caravans against a background of oasis, dunes and rocks broiling under a hot sun.

Except for the areas where hydrocarbons or minerals were being exploited, there was nothing, or almost nothing, especially in the extreme South, which was plunged into a nearly total destitution and handed over to the natural elements, which did as they pleased with it.

Man was living at the pace set by nature and subsisting on whatever nature saw fit to provide while jealously guarding its wealth and yielding it up parsimoniously.

Water, the very source of life, is nevertheless abundant beneath the sand, but it is deeply buried, and man's forces alone cannot by themselves bring it back to the soil, because those forces are not enough to reduce the distances in this desert immensity, which in itself accounts for three quarters of the nation's surface.

But today everything has been transformed in the South, and one might even be tempted to say that the change was brought about by a miracle. In just a few years this area of the country has re-emerged from the void, and what yesterday was in the realm of the impossible has now become a reality, thanks to the labor of men, impelled by a political determination to extricate this integral part of the national territory from its destitution and isolation and to make it a part of the collective effort to fight under-development.

Written into all the fundamental laws, this political determination draws its substance from the principle that Algeria is "one and indivisible" and that the South, like all the regions of the national territory, has paid the price for independence in blood, and consequently could neither be abandoned because it is a desert nor left to itself, and even less could it be treated like an "eternal welfare recipient."

"The Revolution could not consent," we read in the National Charter, "to inequality of development between different parts of the country. The principle of equality and full emergence for all citizens involves the refusal to agree to one part of the population being forced to pull up stakes and go elsewhere in search of instruction, work and the living they are not finding in their native region."

The South, then, has been the beneficiary of very special attention that is expressed on the ground by the start-up of important development projects as part of either special programs or national plans.

The follow-up to the execution of these projects has necessitated a very special working method which consists of frequent shifting of the head of state, the prime minister and members of the government, as well as periodic meetings between the governors of the South and the members of the government.

This working method is imposed in accordance with the following requirements:

- To apply constant corrective measures to a policy of intense investment in a region that is "getting off the ground" from nearly zero and is confronted with many constraints, including poor means of realization and the absence or lack of qualified personnel.
- To prevent, by direct contact between officials, having the passage through classic administrative channels generate bottlenecks that are in danger of stifling the realization of the development projects. This realization is all the more delicate because it is taking place in areas that are beginning to enter into modernity, are building their environment stone by stone and going ahead by "trial and error," all in an extremely limited time.
- To establish, finally, constant contact between the population and its local elected representatives and the nation's highest officials, who would thus be constantly tuned in to the people's concerns.

A Long-Term Task

President Chadli Bendjedid, when the South's governorates were being shifted, often mentioned the importance of following up on the ground the realization of the projects, and emphasized the decisive role of the local authorities in making the worksites function well. The head of state attaches very particular importance to the South's development program, the execution of which he is following personally.

A structure has been put in place at the level of each ministry, especially charged with controlling and following up on the programs decided upon for that region, which include actions to develop existing natural resources as well as economic, social and administrative infrastructure operations designed to improve the standard of living of the local populations.

The program has transformed the appearance of this region, which has become a permanent worksite, despite the fact that the realization is being accomplished at a modest pace, taking into account the difficult working conditions, the lack of technical staffing, problems with supplying construction equipment and material.

Little by little, the governorates in the South are pulling themselves up to the level of the country's other governorates, especially in fulfilling social needs, and their problems are beginning to be identical to those of the northern governorates.

One of the determining factors in the South's "take-off" is unarguably the Trans-Saharan road, which has opened up the Tamanrasset region. It is traveled by over 200 vehicles every day, despite its deterioration over several hundred kilometers. But repairs are going well, as is the building of the road to Niger. That huge National Service project is the jugular vein of the South's road network, which has enable Adrar to emerge from isolation as Tamanrasset did.

On the other hand, an effort to modernize national roads has been undertaken all over the South. The special programs and the local development plans have also made possible the construction of roads connecting the main centers, as well as connections between national highways and governorate roads.

This project of opening up the extreme South in particular is a long-term task, considering the distances and the extremely difficult working conditions. Today the principal settlements of the southern governorates are connected with each other by modern roads, and what remains to be done is to extend highway communications to the most remote ksours.

Development of the air network is another aspect of the policy of opening up. Tamanrasset is now provided with an airport having an international 3,600-meter runway and Adrar and Timimoun are connected by means of 24 weekly flights to the important cities of the North as well as to Ghardaia and Bechar. In 1981, only four flights per week were being provided in the governorate of Adrar and the airports had only perfunctorily laid-out runways.

A Less Hostile Environment

This rapid development of highway and air transportation has had positive effects on the supply of consumer products in the five southern governorates. A range of suitable products has been established on the basis on the habits of consumption of the inhabitants of the rural areas, and the National New Algerian Galleries Company [SNGA] was named as principal operator, in charge of distribution. A program to create storage depots for each governorate was recently launched. Today there are nearly 30 distribution units, whereas in 1981 there were only seven.

Air transport for perishable products has been accomplished with the collaboration of the Defense Ministry, which has placed transport planes at the disposal of the SNGA. Books, household appliances, educational games, etc. are also available in the SNGA units.

The social sector has experienced a certain expansion in general. Existing training structures (schools, CEM [College of Intermediate Studies] are adequate for educating children old enough to go to school. Unlike the cities in the North, the ratio of pupils per class is low (average 25) and the double session does not exist. The city of Adrar alone has two high schools and in Laghouat 86 out of 100 children are attending elementary schools. Tamanrasset, which in 1962 had only one classroom, has 400 today, as well as two high schools. Throughout the South the education of girls has made considerable progress, especially in the urban centers.

In the health sector, too, much has been done in recent years. There are health centers in all settlements, and hospitals have been built or planned for in the principal cities.

But the great constraint is still water, which must be sought far away and at a very great depth. An important hydraulic program has been started, requiring large investments. The process usually utilized to irrigate the land, irrigation tunnels, is inadequate for the development of agriculture, which by the way is very promising: crops such as tomatoes in Adrar, saffron in Tamanrasset, onions, garlic, etc., are yielding good results and may make possible not only self-sufficiency, but also the development of a small processing industry. The decision to sell Saharan land to help the small individual farmers is going to stimulate agricultural production and contribute to settling the populations.

The generally improved living conditions have had beneficial effects on young people, who are settling down more and more in their native regions, and are less and less tempted to go to school or to look for work in the northern part of the country; these two possibilities are now available in the South.

Moreover, the environment is no longer hostile, as it once was, thanks also to the development of telecommunications. The connection of telephones to the national automatic system has been accomplished in most large localities, and the possibility of receiving television broadcasts has become a reality, thanks to the installation of a whole series of telecommunication centers endowed with modern equipment and made complete by the implantation of aids for transmission by means of radio waves.

Thanks to a very costly investment effort, the state has allowed installation of a modern telecommunications network which is making a powerful contribution to the rapid social and cultural expansion of the population of the South.

The political determination to endow the region with a socio-economic potential is raising problems today of a totally different nature: mastering the means for realization and for investment, and, in general, management of development programs.

Of course, the constraints are many, and much more significant than those in the North. Which has engendered a significant rate of tasks remaining to be accomplished, but local initiative and labor can considerably alleviate the problems. For it is by a combined effort by the state, the population and its local elected representatives that the battle against under-development, which is already beginning to disappear in the South, can be permanently won.

TIZI-OUZOU HOSTS FIRST SYMPOSIUM ON POULTRY RAISING

Algiers EL MOUDJAHID in French 11 Oct 83 p 9

[Text] A national symposium on poultry-raising began Wednesday at Tizi-Ouzou, at the wilaya's Social Services Center.

Sponsored by the General Directorate for Animal Protection of the Agriculture and Agricultural Revolution Ministry and by the Technical and Industrial Cooperation Agency (ACTIM) of the French Agriculture Ministry, the symposium brings together cadres and technicians responsible for the development of poultry raising with established local growers from every wilaya in the country, as well as with French experts in the field.

This first symposium at Tizi-Ouzou will be followed by three more, to be held at Tlencen, Constantine, and Algiers. Its purpose is an exchange of experience and technical information from all the wilayas, including current practices in France.

The discussions deal primarily with investments in the area of construction, and with new equipment and techniques in poultry raising.

The 150 or so cadres attending the symposium are expected to spread the information they receive here to the poultry coöperatives in each wilaya, as well as to all members of the coöps.

The format for the discussion will be talks followed by informal comment and debate on a number of topics related to poultry-growing.

The talk given on Wednesday at the opening of the symposium by the director of poultry growing and small animal husbandry, whose topic was "Choosing models and module size for poultry raising," dealt mainly with the developments in poultry growing here since the Seventies, where the major problems seem to have stemmed from building design and construction.

The report disclosed the fact that Algeria has yet to hit upon a standard building type suitable for use in all wilayas. The building is extremely important because of its immediate impact on flock survival, and hence on production and productivity.

To this end, he noted that training for poultry-growers has made it possible to put an end, in this area, to the use of improper shelters (huts of reed or grass, for example) without the slightest scientific consideration, often leading to enormous losses for the grower and for the country.

At present, he said, building costs now amount to about 30 percent of the retail price of an egg.

Rising Consumption

Moving to production trends in poultry growing, he said that, thanks in part to the restructuring operation in the sector, it was found that there was a swift rise in production of fat poultry which he attributed in some measure to the involvement of private operations.

As a result, per capita consumption which had been 0.4 kilos of white meat in 1970, had risen to 4.5 kilos by the end of the 5-year Plan. It will, he predicted, reach 7 kilos in 1984.

Growth in the laying-hen sector, however, has been less rapid. Annual per capital consumption of eggs, which was 20 eggs in 1970, had risen to only 24 in 1979.

Even so, the Ministry hopes to reach the level of 58 eggs per capita by the end of the first 5-year Plan.

It should be noted here that Algeria currently imports more than a billion eggs per year.

The Ministry has accordingly set its goal at annual per capita egg consumption of 90 eggs by the end of the second Plan.

By that time, consumption of white meat will reach 9 kilos by 1990.

The Ministry expects to introduce rabbit and turkey growing during that Plan period. Consumption of these will be on the order of 200 grams per capita for rabbit, and 300 grams per capita for Turkey.

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WAJIH SHINDI DESCRIBES EGYPT'S FOREIGN INVESTMENT SITUATION

London AL-MAJALLAH in Arabic No 190, 1-7 Oct 83 pp 43-45

[Interview with Egyptian Minister of Investment and International Cooperation Dr Wajih Shindi by 'Amr 'Abd-al-Sami in Cairo: "Egypt is the Best Environment for International and Arab Capital Investment"; date not specified]

[Text] Because the language of figures abridges explanation and details, this interview was like machinegun fire, with a chance only for certain words. Egyptian Minister of Investment and International Cooperation Dr Wajih Shindi represents Egypt's economic gatekeeper. He grudgingly opens the door only to those who can offer Egypt what it needs and provides sound investment climates, priding himself on safe conditions that make for an ideal investment environment. However, only projects and investors with an appreciation for Egypt's needs in this second phase of the economic open-door policy, known as the "production open-door," may share all this. AL-MAJALLAH begins its dialogue with the subject of Arab investments:

[Question] In your opinion, what are the best countries in the world for Arab investment?

[Answer] Not because I am minister of investment and international cooperation, I say Egypt is the best environment for Arab capital investment, and not only for Arab capital, but also international capital as well. Do you know why? Because Egypt is an investment environment that offers safety!

[Question] Do you have any initiative to bolster international economic cooperation with Arab countries?

[Answer] Official Arab relations are not within the bailiwick of the Ministry of Investment and International Relations. Nonetheless, I can point out that investment advantages which Egypt has to offer represent an attractive factor for Arab capital. This has induced much Arab capital to choose Egypt as its field of investment.

[Question] Is Egypt paying its debts to Arab countries?

[Answer] Egypt is paying its debts to everyone because it honors its commitments. This is not confined to Arab countries alone, but includes Egypt's commitments towards any country in the world.

Question Is there any plan to revitalize the Gulf states group's efforts to support Egypt's economy?

Answer This matter does not hinge on the wish of one party, but depends on the wishes of several parties.

Question Western policies have led developing countries to a state of economic inundation with negative effects, as are the cases of Mexico and Brazil. Is Egypt a candidate for that?

Answer There is no similarity whatsoever between Egypt's economic reality and these two examples. The two countries you mentioned have horrendous debts (about \$90-\$95 billion). Egypt's total debt is no more than \$14 billion; hence, there is no room for comparison between its situation and the situation of these countries.

Question The International Investment group (for which the International Bank arranged meetings in Paris, and a meeting was held in Luxor during the last days of al-Sadat's regime)--can we consider Egypt's position towards this group similar to its position towards the debt fund during the era of Khedive Isma'il **In the 19th century**?

Answer Who is putting forward such talk?

Question Various political forces in Egypt. At any rate, it is being put forth for debate.

Answer This talk is completely unfounded. Those who talk this way demonstrate unfamiliarity with Egypt's current economic situation and past history as well. Egypt manages its economic relations on the basis of respect for its independence. Nothing has happened to violate this principle.

Question Why then, have negotiations with the IMF gone on for 3 years without signing an agreement? Does the IMF have a veto on Egypt's economic policy?

Answer There are no differences between Egypt and international organizations, and it is not a prerequisite that the IMF reach an agreement with Egypt. Talks being held in Egypt by the IMF mission are not necessarily aimed at concluding agreements.

Question What are the international centers of gravity in economic cooperation with Egypt? And, can it be said that the United States enjoys a privileged position in the Egyptian economic market?

Answer Egypt cooperates with more than 30 countries in the economic field. Thus, it can not be said that there are privileged positions. The United States has investments and aids in Egypt, just like any other country Egypt cooperates with.

Question Have you been able to raise the rate of loan utilization?

[Answer] No doubt about that. The rate of drawing on these loans is no more than 95 percent. But, we must take into account that some loans are for long-term projects, some of which are supposed to start in 1983 and be completed no earlier than 1988, for instance. It can be said that the money for these projects is not being used, but this is not true because the proper time for its utilization has not come yet.

[Question] What are the features of Egypt's economic policies in the second phase of the economic open-door policy?

[Answer] First, we must have forced planning for the public sector. As for the private sector, we can not force it, so we must encourage it with incentives. Second, concentrate on the production open-door policy in order to solve the problems of the first stage: deficit in the balance of payments and much higher import figures. Third, increase foreign investments in the plan to 8.2 billion Egyptian pounds, at an average of 1.65 million a year. Fourth, a serious commitment by the investors and the Egyptian investment agency. Such seriousness is one of the most important features of an investment climate. Fifth, a balance between rights and duties. Sixth, reaffirm that the public sector is the legitimate son of the Egyptian economy.

The state is paying great attention to the development of the private sector. The 5-year plan estimated the sector's investments at 24 percent of the total sum of national investments valued at 34 billion Egyptian pounds. These are the features of the second phase. As for the steps to be taken during this phase, they are: putting the house in order from within; working in accordance with a specific well-defined system; setting specific dates for project approvals; consolidating all projects in need of promotion and drawing up an investment map for Egypt; and, finally, moving from the stage of receiving investment requests to the stage of promoting investment opportunities in Egypt. We have adopted a number of new policies (about 20 altogether) that will guarantee fulfillment of this stage.

[Question] How far has Egypt gone in these stages?

[Answer] Egypt is getting ready now to enter the fourth stage (consolidation of projects in need of promotion and drawing up an investment map for Egypt).

[Question] What are the results of these steps and policies?

[Answer] A 300 percent increase in approvals of investment projects from September, 1982, to May, 1983.

[Question] What kinds of projects have been approved, and was their link to the development plan taken into account?

[Answer] Recently approved were 34 projects, including a large variety of agricultural, livestock, steel for reinforced concrete, and pharmaceutical and apparel projects. This kind of investment is linked to the general framework of the economic and social development plan. In addition, investment taxes and legal fees paid to the government offset a balance between

rights and duties and between the common interests of national economy and private investments alike. Naturally, the factor of profitability for the private investor is considered, but it is linked, on the other hand, to the development plan's general framework whereby private capital pouring into import activities for high profitability will not lead to an increase in imports at the same rate witnessed during the first phase of the open-door policy when Egypt's imports increased more than 100 percent in 5 years (from \$4 billion in 1975 to about \$9 billion in 1981). Consequently, we have guided import policies along the path of profitability in only one productive investment field, including new projects in industry or agriculture, or agricultural-industrial projects, for instance.

Question The open-door policy, then, is there to stay, but with new features compatible with Egypt's present circumstances?

Answer A distinct economic policy is a decisive factor in explaining Egypt's economic philosophy. I think President Mubarak has clearly reiterated his determination to continue the production open-door policy unanimously approved in the 1982 economic conference.

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FOREIGN TRADE POLICY, TRADE, COOPERATION WITH SOVIETS DISCUSSED

Development Affected by Trade Policy

Cairo AL-AHRAM AL-IQTISADI in Arabic No 768, 3 Oct 83 pp 4-6

[Article by Dr Lutfi 'Abd-al-'Azim]

[Text] I'd like to ask the reader not to be surprised when he discovers that I've turned conventions upside down in this article. An introduction to any newspaper article is supposed to be brief and prefatory. Here, however, I found myself writing an introduction that turned out to be longer than the article itself.

First of all, I pray God that what I say will not be too upsetting to those who do not stop accusing AL-AHRAM AL-IQTISADI of being a publication of a certain color. I pray God that what I say will not be too upsetting to those who deceive themselves and those who ask for their advice by dismissing every free opinion as a "red" opinion. They do so to avoid "the dangers" of any reform.

I ask the reader to bear with me and to let me tell him in this regard one of many stories that reflect the narrow perspective from which some people view AL-AHRAM AL-IQTISADI. One day I was visiting Dr Yusuf Wali, minister of agriculture. It is true that he is a man who makes up his own mind and whose views are neither molded nor patterned by anyone. He had a few visitors in his office, and one of them was a professor of economics in the College of Agriculture. We were all taken by surprise when that professor told me, "AL-AHRAM AL-IQTISADI is a communist magazine!" When I asked him why he was making that strange judgment of the magazine, he said that the magazine had been publishing for some time a series of articles on "The Crisis of Capitalism" written by a communist who has a doctorate. I told him that the author of those articles was a colleague, Dr Ramzi Zaki, who is one of the authorities on planning. I told him Dr Zaki was not a leftist, unless, of course, everyone who believed in planning was a leftist! [I said] that until recently Dr Ramzi had been a guest on many television talk shows, and [I said] that as far as I knew Egyptian television had not succumbed to the control of leftists. When I finished that explanation, the professor said, "If Dr Ramzi Zaki is not a communist, he should write a series of articles on the crisis of communism after he is through with the series on 'The Crisis of Capitalism.'" My response to that remark was that a thinker was not like a tailor who would be asked "to tailor" an item according to a customer's wishes. In fact, a respectable tailor would have to respect the work he specializes in. A tailor of

western clothing, for example, would not tailor a caftan. Then I added, "However, I am certain that communism too is going through a major crisis that is no less than that of capitalism." I asked the forementioned professor quite sincerely to write that series for our readers since he is a professor of economics and opposes leftist thought. Speaking for myself and on behalf of the enlightened readers of the magazine who subscribe to various intellectual views, I told him that I would be pleased to set aside as many pages of the magazine as he wanted for such a study. Dr Yusuf Wali seconded my request. That conversation took place 1 and a half years ago. I am still waiting for that series, and my promise to publish it in full still stands.

There is another story to which the late Dr Jamal al-'Atifi was witness. He was one of the dearest friends of AL-AHRAM AL-IQTISADI who came to the magazine's defense many times from the days of 'Abd-al-Nasir till the days of the late al-Sadat. He met me one day and told me that the magazine had become a splendid publication but it seemed that we were making the same liberal mistake that he had made, a mistake that cost him his position in the cabinet. He added, "When I was minister of information, it occurred to me to have representatives of the different parties discuss [various issues] on television. These discussions turned out to be very successful with the people; they were considered a shining beacon in the history of Egyptian television. "But," Dr al-'Atifi, may God rest his soul, continued, "these discussions fully exposed the right-wing's method of confronting leftist thought." This was one of the things that infuriated the late al-Sadat and caused him to remove Dr al-'Atifi, may God have mercy on him, from the ministry. My response to Dr al-'Atifi was that I was trying my best to have different opinions expressed in the magazine and to enrich [the experiences of] Egyptian readers with opinions and counter opinions. But proponents of certain viewpoints failed me by being utterly preoccupied with matters other than those of the battles of thought and destiny [that were being conducted on the pages of the magazine]. They may have been preoccupied as business consultants to the companies of economic liberalization and their offices. Nevertheless, AL-AHRAM AL-IQTISADI is an honorable publication, and it is honored by every free, objective opinion that is published in it.

There is one final story after which we will stop telling stories so that the article will not turn into [a series of] stories. Ever since I've been in charge of the magazine, AL-AHRAM AL-IQTISADI was never a magazine whose thought was determined in accordance with the identity of the ruler and in accordance with the prevailing fashion. For that matter, neither was its staff nor its editor-in-chief. [No one in the magazine] would attack one person or praise another in accordance with verbal or written instructions or at least in accordance with prevailing trends. I would like to remind the reader that AL-AHRAM AL-IQTISADI was the first magazine--in fact, the only magazine--in Egypt to assume a clear position after the 1967 setback against Egypt's growing dependence on the Soviet Union. Readers may review 1968 and 1969 issues of the magazine, and they will be astonished at what we wrote at that time, particularly when newspapers were vying with each other to praise the Soviet Union and eastern bloc countries. [They were also vying with each other] to condemn western imperialism and its leader the United States. I do not say this to exonerate myself or AL-AHRAM AL-IQTISADI but rather to emphasize that we do not treat any country as an enemy, be it a super-power or not. But we do show hostility toward positions that may be assumed by any country against the interests of our country and our Arab homeland.

Economic Subordination

Before leaving to go to the Soviet Union--that was my first visit to that country--I read the semi-annual economic report on the Egyptian economy which is prepared by the Economics and Commercial Section of the American Embassy in Cairo. I confess to the reader that the figures mentioned in that report, figures that have to do with trade between Egypt and the United States, shook me up considerably. What we used to do in the late sixties--the practice of putting most of our eggs in the Soviet basket--has not been changed: we are now putting our eggs in the American basket. In both cases we were exposing ourselves to the dangers of subordination. However, after comparing the results of both experiences we find ourselves, unfortunately, compelled to quote the poet who said, "Though these were woeful days, O Lord, I mourned their loss when they were gone." A few figures will suffice.

According to the Economics Section of the American Embassy in Cairo Egypt's imports from the United States amounted to 1.875 billion dollars in 1980. That was 24.7 percent of Egypt's total imports that year. In 2 years Egypt's imports from the United States rose sharply. In 1982 they amounted to 2,875,400,000 dollars. That was 31 percent of Egypt's total imports. Such dependence on one country, whether that country is the United States or the Soviet Union, constitutes a growing threat to our national economy. The picture becomes more curious when we consider Egypt's exports to the United States. In 1980 Egypt's exports to the United States amounted to 540 million dollars. That was 14 percent of our total exports. In 1981 our exports to the United States fell to 400 million dollars (10 percent of total exports). In 1982 our exports to the United States amounted to 547.2 million dollars. That was 13.1 percent of our total exports.

Moreover, if we were to consider the composition of our exports to the United States, we would be surprised [to learn] that our trade relations with the United States do not promote our national industries. For example, one finds that in 1982 crude oil constituted about 91.1 percent of our total exports to the United States (507.9 million dollars). We exported manufactured goods worth 9.6 million dollars. Actually, this was not due to the poor intentions of the United States, but rather to the fact that the complex and open U.S. market cannot easily accept the products we manufacture. We cannot compete in the U.S. marketplace with the countries of the Far East. As we and many others said, the principal market for our industrial production is in the countries of the socialist camp and the Third World. These are markets that we have grievously neglected, particularly since the direction of the Egyptian economy has turned 180 degrees toward the West. This does not at all mean that we wish to replace the embrace of one power with that of another. We do not wish to return to a mode of economic and commercial cooperation between Egypt and the outside world that is restricted to the Soviet Union and the countries of the socialist camp. We are, however, saying that a wise Egyptian policy is one whose ultimate objective is [to realize] the interests of Egypt and the interests of Egyptians. It is a policy that must be balanced and based on undeniable assumptions. First, there can be no real economic development without a real increase in the production of goods. This can only be realized by importing the machines, equipment, complete factories and technology that can be found in the countries of the western camp and the socialist camp [as well]. There is no doubt that scientific and technological progress in the western camp exceeds that of the eastern camp. And here we come to the

difficulty in the situation. We cannot import capital equipment from the western camp and then try to export our industrial products to the eastern camp.

I paused at length at the figure of Egypt's debt to the Soviet Union. Comrade Grishin showed me that figure which gave me pause when I put it next to what Egypt got from the Soviet Union in almost 25 years--from the time when the United States tried to use economic aid, regardless of the cost to Egypt and to 'Abd-al-Nasir, as a means to terrify Egypt and bring it to its knees. That was when the United States declined to finance construction of the High Dam.

Readers may not know that before I [started] working in the press and after I completed my studies for the doctorate I was employed as an economics expert in the Public Organization for Implementing the 5-Year Program. This is the organization that is now called the Public Organization for Industrialization. I was employed in that organization when it was first established. At that time the organization was like a beehive. People there worked round the clock in order to bring about the success of the first, and unfortunately also the last, real 5-year plan in Egypt. The Soviet Union had the largest share of projects which it financed through an economic development program. In a few years about 100 industrial projects were implemented with the cooperation of the Soviet Union. That list of projects grew to include, beside the High Dam and the hydroelectric power stations in Aswan, the iron and steel complex, the aluminum complex in Naja' Hamadi, the coke plant, the machine tools, chemicals and pharmaceutical industries; the shipbuilding industry; the cement industry; etc. In addition, numerous educational centers (45) were established with Soviet aid, and thousands of Egyptians were trained there. The Mining Institute in al-Tabin [was also established with Soviet aid]. In addition, Egyptians received training in Soviet plants.

I do not want to go on with this discussion so that people would not think that I am engaged in propaganda for the Soviet Union. I would like, however, to add two brief statements. When he was prime minister of Egypt Dr Hijazi told me, "Anyone calling for the liquidation of Egypt's public sector should know that, despite all its faults, had it not been for the public sector, Egypt would have become bankrupt. Most of this public sector, whether we wish [to admit this] or not, was established with Soviet loans."

The second brief statement I want to make is that the volume of Egypt's debt to the Soviet Union, which Comrade Grishin mentioned, is not restricted to economic loans. It also includes all the weapons and military equipment that Egypt received. It was, of course, with this equipment and with the brave men who used it that the great victory of October was achieved.

These thoughts induced me to make a comparison between the mode of economic co-operation and loans that was prevalent until the late sixties and the open-door mode that replaced it in the mid seventies. Egypt's debt during the recent period has approached 20 billion dollars, and there has been no addition to speak of to our industrial base that is consistent with this alarming figure. We had many exports for growing markets in the Soviet Union, but these exports are dwindling because, on the one hand, exports to socialist countries are declining, and, on the other hand, because Egypt's doors have been laid wide open to those who import foreign goods. It is those people who have killed and are still killing

our national industries in broad daylight. Thirdly, our exports are declining because western markets do not accept the non-traditional kinds of goods we would export to them. Regardless of the disputes that occurred between Egypt and the Soviet Union, there is no doubt that the mode of economic cooperation between Egypt and the Soviet Union was one of the most suitable modes for a developing country.

Regardless of the disputes that occurred between Egypt and the Soviet Union, there is no doubt that the mode of economic cooperation between Egypt and the Soviet Union was one of the most suitable modes for a developing country like Egypt. The establishment of heavy and light industries in return for receiving part of their production was the best guarantee for realizing a real rate of growth. This [arrangement] also guarantees us export outlets for our industrial products and can help our industrial base continue to grow. This is what is strongly required for the present situation in Egypt. It is enough that we mention here that Egypt's exports, excluding oil and cotton, declined from about 720 million pounds in 1980 to about 600 million pounds in 1982. This is a decline rate of 17 percent at current prices. If we were to rule out price increases, the decline would be at a much higher percentage rate. This, of course, is a situation that cannot continue, particularly since imports increased during the same period by 53.3 percent.

Before I shift to the main point of the article, which is the interview with Comrade Grishin, I hope that readers will allow me once again to explain something I must explain. In our country usage of the word, comrade, is construed immediately as an indication that the speaker is a communist or a communist client. This is ludicrous. When we speak of Reagan, for example, we do not say, al-Sayyid Reagan, we say Mister Reagan; we do not say Mister Mitterand, we say Monsieur Mitterand; we do not say Mister Kohl, we say Herr Kohl; and we certainly do not say al-Sayyid Khalifah Aal Nuhayan but rather al-Shaykh Khalifah, and so on. I do not think that using the proper title with people's names means any bias for a certain ideology or any particular tendency, except [of course] in the eyes of short-sighted people and wordmongers.

Before I shift to the interview with Comrade Grishin, it behooves me to answer the question, which is the title of this article: "Development, under Whose Auspices?" We are saying this quite unequivocally: we do not want development under the Soviet Union's auspices, not under the United States' auspices and not under the auspices of the countries of the Common Market. In fact, we do not even want development under the auspices of our Arab brothers' petrodollars!

The only development we want is that which would be carried out under the auspices of Egypt, Egypt which gave all of us, the unjust as well as the down-trodden, a great deal. The development we want is that which would be carried out under the auspices of Egypt which received nothing from all of us but various degrees of ingratitude: ingratitude from the unjust, who deliberately oppose the tide of progress; and ingratitude from national groups because of their weak endurance, their sense of frustration and their sense of despair at every turning point where ignorance scores a victory.

Soviet Official Discusses Relations

Cairo AL-AHRAM AL-IQTISADI in Arabic No 768, 3 Oct 83 pp 6-8

[Report on Interview with Ivan Timofeyevich Grishin by Dr Lutfi 'Abd-al-'Azim; in Moscow]

[Text] What does the Soviet Union get and what does it give?
How large is Egypt's debt to Moscow?
Economic cooperation is more important than trade.

Let us shift now to our talk with Comrade Ivan Timofeyevich Grishin, the Soviet Union's deputy minister of foreign trade. This interview took place in his office in the huge building of the Ministry of Foreign Trade in downtown Moscow, the capital.

The man does not look his age: he is 72 years old, about to complete 73 years. He is full of vitality and political mischief. This was particularly evident when he said that Egypt often asks for newsprint from the Soviet Union. He said that some people noted that the more Soviet newsprint is sent to Egypt, the more space is devoted in Egyptian newspapers to insulting the Soviets and Soviet policy. However, this has not prevented the Soviets from filling Egypt's orders for newsprint.

Grishin's candor was sometimes tinged with bitterness because of the experience the Soviets had to go through with the late president. All this started in 1978 when al-Sadat stopped exporting Egyptian cotton to the Soviets. Al-Sadat issued orders that Egypt was to stop paying its debts to the Soviet Union for a period of 10 years. After that, in 1981, al-Sadat expelled the Soviet ambassador from Cairo and most of the Soviet Union's diplomatic corps as well. When we talked about that, Grishin asked me a curious question that took me by surprise. He said, "Despite good intentions, particularly on the part of the Soviets, to restore matters between the two countries to normal, what guarantee is there that we will not receive another blow like that which we received, a blow that is unparalleled in relations between countries?" My reply to him was that there was absolutely no guarantee. I said there was a difference between politics and arithmetic where we can affirm that the result of adding two numbers will be a third number and nothing else. In addition, [I said that] politics in the Third World was rarely based on a rational foundation and that despite that we had to look at the future with hope.

Grishin began talking by saying that there was a new development this year in trade relations between Moscow and Cairo. Over a period of 5 years, since 1978, no trade protocol was signed between the two countries. The two countries merely exchanged lists of goods. This year, however, an official Egyptian delegation headed by Mr Husayn Ahmad Husayn, first undersecretary of the Ministry of the Economy and Foreign Trade, visited [the Soviet Union], and the first official trade protocol since 1978 was signed.

Grishin added, "Despite the fact that there were no official protocols between the two countries during the past 5 years, trade between the two countries flourished."

Grishin said, "This year the Soviet Union will import Egyptian cotton and textiles worth 200 million dollars. This is an increase of 50 million dollars over 1982. That was the first year during which exports of Egyptian cotton to the Soviet Union were resumed after al-Sadat had ordered the export of Egyptian cotton suspended. In addition, the Soviet Union imported about 15 million meters of fabrics; 80,000 tons of oranges; about 25,000 tons of onions; and 10,000 tons of garlic. Besides all this, the Soviet Union imported perfume oils, cosmetics, ready-to-wear clothing, alcoholic beverages, furniture and ready-to-wear clothing." Grishin also said that the Soviet Union had struck an unprecedented deal this year with Egypt for perfumes and perfume oils. That deal is worth 100 million dollars.

Grishin said, "For one reason or another many Egyptians do not know that the Soviet Union is one of Egypt's most important trade partners. It is enough to mention that about 90 percent of the furniture, perfumes and cosmetics that Egypt exports find their way to Soviet markets which also take in about 80 percent of Egypt's total exports of perfume oils and 50 percent of the country's cotton yarn exports. The list of Soviet exports to Egypt is an extensive one, but it does not include basic production or consumer goods. The most important imports from the Soviet Union are tools, equipment, passenger cars, trucks, farm tractors, drills, cranes, textile machinery, cotton harvesting machines, washing machines and refrigerators. The list also includes an important item: Soviet coal, which fills about one fourth of Egypt's needs. The list also includes lumber (46 percent of Egypt's needs); frozen fish (40 percent of Egypt's needs); and cardboard (also 40 percent of Egypt's needs)."

Grishin said, "Although political relations between Cairo and Moscow are still not normal, that fact has not affected the Soviet Union's attitude toward the Egyptian economy." He mentioned that during the present year the Soviet Union had repaired turbines number 7 and 8 at the High Dam; it had supplied the necessary spare parts for the High Dam and for the Suez power station; it had supplied the rural electrification equipment for the Samalut station; it had increased the number of Soviet experts at the Asyut cement plant; and it had installed about 80 percent of that plant's furnishings and equipment. The final stage of the aluminum plant in Naja' Hamadi was completed, and operations there were begun. Production there will reach the plant's maximum capacity of 166,000 tons a year in the near future. Last June an agreement was also signed to supply the iron and steel plant with spare parts worth 203 million pounds sterling.

Grishin went back again to the subject of trade between the two countries. He said the Soviet Union sincerely wished to strengthen and expand trade between the two countries, but there were obstacles that had to be overcome. The largest of these obstacles was that regarding the method of payment of Egypt's debts, a method that would be satisfactory to both parties. He added, "How can we increase trade with you when you've reduced the number of employees in the trade section in our embassy in Cairo to half what that number was? It is known that the trade section in any embassy is the principal nerve center for the growth and prosperity of trade."

Grishin went on to add--and I believe that was one of the most important points he made--that sincere cooperation between countries must not be confined to trade. It is economic cooperation that must rather be the principal foundation of

cooperation between countries. Trade with developing countries is not unrestricted, but expanding the foundations of industry in those countries may help them make economic progress; it may help them increase their export capabilities and accordingly their import capabilities. Then he said that the Soviet Union was prepared to revive agreements for economic cooperation starting with its next 5-Year Plan for 1986-1990. The Egyptians may, if they wish, identify those industries they want and need which the Soviet Union can deliver so that the Soviet Union can include those matters in its next 5-year plan. Grishin also said that a complete overhauling was required in most of the industries that Egypt established with the cooperation of the Soviet Union. He said the Soviet Union was prepared to consider any request Egypt might make in that regard.

At the end of the interview Grishin asked me to convey his regards to Dr Mustafa al-Sa'id, minister of the economy and foreign trade. He said he was looking forward to their meeting in Cairo in the next few weeks. He said he appreciated Egypt's current economic conditions, and [he also said] that his country was quite willing to cooperate with Egypt in all areas that would serve the interests of both parties.

The Presidency in Egypt Is a Strong Institution

While talking about the restoration of normal relations between the two countries, Grishin said that Egypt's foreign policy had always been determined by the presidency, ever since the days of the late president Jamal 'Abd-al-Nasir. The situation during the days of President al-Sadat or under President Husni Mubarak has not been different. He added, "At the present time the presidency in Egypt is strong, and this gives us greater hope that relations between our two countries will improve." But then he added, "There are undoubtedly certain forces in Egypt who are interested in seeing to it that relations of cooperation between Cairo and Moscow do not flourish. The makers of Soviet policy must take those forces into account."

Grishin then said, "It is 'a third party' that benefits from cool, deteriorating relations between us." He said that he himself was responsible for the countries of the Near East, the Middle East and the Far East. One day a senior official in an Asian country told him that his country was facing a crisis. He had asked "a third party" for a large loan, but that "third party" had set a condition for the loan: that the forementioned country reduce its trade with the Soviet Union by half!

The Truth about Egypt's Debt to the Soviet Union

I asked Comrade Grishin about that thorny subject. In 1978 President al-Sadat had ordered Egypt's debts to the Soviet Union frozen for a period of 10 years. [I thought] this debt must be astronomical. The man looked at his papers and said [the following]:

"All the loans that were made available to Egypt by the Soviet Union amounted to 5.5 billion dollars, but Egypt borrowed only 4.5 billion dollars. This figure includes all the weapons that Egypt received and used in three wars which were crowned with the October war and Egypt's great victory in that war. That figure also includes the High Dam, its power stations and numerous large plants, such as

the aluminum plant which is now realizing a large surplus for export after covering Egypt's needs. That figure also includes a coke plant, cement plants, chemical and pharmaceutical industries, machine tool industries, the shipbuilding industry, and so on. Grishin said that so far Egypt has paid back to the Soviet Union the sum of 1.5 billion dollars in exported Egyptian goods. Added to that is half a billion dollars which the Soviet Union is waiving. Thus, the balance that Egypt has to pay is 2.5 billion dollars." This figure is not much more than the sum total of the fortunes of 'Isamat al-Sadat, Tawfiq 'Abd-al-Hayy, Rashad 'Uthman and the members of the lumber Mafia.

Grishin then said that the Soviet Union's imports from Egypt usually exceed its exports; the difference is credited to Egypt's debt payments. He said that Egypt's economic debts to the Soviet Union had been paid in full and that payment was still being made on the balance of military loans.

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THIRD ATTEMPT TO ESTABLISH NASIRITE PARTY IN EGYPT

London AL-SHARQ AL-AWSAT in Arabic 30 Sep 83 p 3

[Article by Wahid 'Abd-al-Majid]

[Text] The vitality that pervaded Egyptian political life during the last 2 months is not customary, despite 7 years of multi-party experience. At a time when the New al-Wafd Party was announcing the "defreezing" of its activities, the parties' affairs committee [of the People's Assembly] was receiving a request for the establishment of a Nasirite party. It began debate on it 27 September, and a final decision is expected in 3 months.

Many observers believe that the Wafd [party] and the Nasirites, and the non-fundamentalist Islamic current as well, are the most popular political currents in the Egyptian street. They are also the currents deprived of party representation. Therefore, the Wafdist and Nasirite movement pledges to stir up the stagnation that came upon the party map in Egypt recently.

The Wafdists had succeeded, since holding their conference last 27 August commemorating Sa'd Zaghlul and al-Nahhas [Pasha], in stealing the limelight, but the light began dimming after the Wafdists and the government (represented in the parties' affairs committee) got everything they had and attention in Cairo was once again turned to the new Nasirite party whose request is being presently discussed by the parties' affairs committee.

Thus, new questions are being raised about the nature of the Nasirite party and its place in the various Nasirite currents in Egypt, about why well-known Nasirite leaders have avoided participation in its formation, and about accusations being exchanged behind the scenes between party founders and Nasirite opponents.

The Third Try

The current attempt to found the Nasirite party--led by a lawyer and former People's Assembly member from Alexandria (Kamal Ahmad)--is the third try. The first try (the Nasirist-Socialist Platform) goes back to the beginning of 1975, within the framework of the multi-platform experience within the Socialist Union. This attempt was associated with Kamal-al-Din Rif'at, a 1952 revolutionary leader who occupied several positions during 'Abd-al-Nasir's

regime, the most important of which were organization secretary in the Socialist Union and chief of intelligence. But, debates at the time resulted in the selection of three platforms only, representing the right, the center and the left.

In the face of that, Kamal Rif'at and some Nasirite platform advocates decided to join the left platform, led by Khalid Muhyi-al-Din. However, several months after that, and in the wake of the platforms' transformation into organizations, another "Nasirite" group undertook another attempt to found a Nasirite organization under the name "Alliance Vanguard." But, failure of this second attempt impelled a group from the Nasirite current to engage in political activity through the left party (the National Progressive Union Grouping [NPUG]). Nevertheless, many analysts predicted early the difficulty of concord between the two communist and Nasirite currents.

A Nasirite journalist, who participated in the second abortive attempt, took hold of this line to reaffirm the need for an independent Nasirite organization. He says "Nasirite endeavors to found their legitimate organization did not stop when the second attempt failed, and has not been foiled by the January, 1977 arrest campaign against many of them. The current attempt to found a Nasirite party is the result of efforts exerted during the last 6 years."

But, Kamal Ahmad, the originator of the third attempt, offers another story. He says that "the idea of the Nasirite party remained latent until the September, 1981 arrests when I suggested to detained Nasirite colleagues--around 17 September--that we announce the Nasirite organization from prison on 28 September. But some colleagues had differing views calling for postponement. After President Mubarak took office and announced his political declaration, we felt that new changes were coming up the political map. Adoption of the new electoral law, however, demarcated the political map in Egypt for another 6 years. The Nasirites had either to close their doors and await change to come from without or to go out and play the political game in the shade of the rules and regulations circumscribed by the constitution and the law. It was decided that we enter the battle of change."

And the Mountain Went into Labor

The last 6 months witnessed the broadest dialogue between Nasirite current elements, including various groups, the most important of which were:

1 - The old Nasirite leaderships, known as the "centers of power" since 15 January 1971; Nasirite cadres growing in the shade of the Arab Socialist Union since the early sixties; the young generation who carried the Nasir banner in universities during the seventies and established Nasirite ideology clubs in Cairo and 'Ayn Shams Universities; and 'Abd-al-Nasir's intellectual followers whose most important grouping is the Arab Society for the Preservation of 'Abd-al-Nasir's Memory, founded in 1975 by a university professor (Dr 'Abd-al-Karim Ahmad). It was headed by 'Abd-al-Nasir's son-in-law, Hatim Sadiq, until the freezing of its activities in the late seventies. But, it is starting to regain its vitality; it is expected that well-known Nasirite lawyer Sabri Mubda will take over its leadership.

This dialogue clearly revealed the differences separating these groups and, indeed existering within each group. When Dr 'Isamat Sayi-al-Din, a famous lawyer and holder of a special vision of Nasirism, was asked to evaluate the current position of the Nasirite current in Egypt, he said he considered it the broadest political current in Egypt on the popular level because it included all the socially privileged individuals of the 'Abd al-Nasir regime, particularly those who lost their privileges under the open door policy.

The problem, in his opinion, is "their loss of political awareness essential for joining the Nasirite current."

This analysis once again raises the problem of the political vanguard of this current which obviously is deeply divided.

This dialogue began late last year in Nasirite circles and ended in a deadlock in the middle of this year. The result was that one of the groups participating in the dialogue (the Kasal Ahmad group) single-handedly announced the founding of the Nasirite party. This group does not include any names known to the Egyptian political street. When a well-known Nasirite journalist was asked to evaluate this development, he said it was like the famous saying, "the mountain went into labor and a mouse was born."

Will a Nasirite party be founded?

In the vast sea of this controversy, the most important question is still being raised: Will the party map in Egypt witness the first Nasirite party?

Answers to this question given by those applying for the establishment of the party vary greatly. Some expect approval of the parties' committee to meet all legal conditions.

As for the anticipated effect of the Nasirite party on the current political map, it seems to be extremely limited at the moment. The party is still in the founding stage and represents one sole Nasirite current group in Egypt. The efficacy of this party is surely linked to its ability to become a true representative of this current. Asim Munayal (a Nasirite organization leader in Lebanon) had predicted that Nasirists in Egypt will suffer from the same problems plaguing Nasirites in Lebanon: division and fragmentation. This problem will seriously impair the new Nasirite party's efficacy upon its establishment, even though the party's founders still hope that their party will succeed in polarizing most Nasirite current groupings. Nevertheless, discussion of how effective this party will be or how it will affect the party map in Egypt is premature, before the parties' committee has its say.

12362

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EVALUATING THE EGYPTIAN OPPOSITION FRONT

Al-Ahram, in Arabic No 3080, 21 Oct 83 pp 4, 5

Article by Makram Muhammad Ahmad: "Whose Front Is this Front, and Whom Is It Opposing?"

After a lengthy rhetorical introduction and after a series of continuous questions, the parties of the Egyptian opposition issued a statement 2 days ago in the name of the Egyptian National Front. The opposition issued that statement "alarmed" the languishing liberties of the people after becoming "alarmed" by the "fingers" that were threatening the course of democracy in Egypt.

That was what the introduction to the statement said.

We expected the premise of the statement to be an objective evaluation of the general situation in the past 2 years. That was what we expected, not these polemical phrases with which the front began a statement that does not reflect any objective truth.

We expected the opposition to ask itself this question: Are we on the right track or not? Have serious and significant steps been taken, or are we still at the crossroads where we all found ourselves in September 1981? At that time Egypt's future had become overcast, and the grey, menacing and heavy clouds hid out the sunlight that unleashed a sinister and a bloodthirsty violence which created the disastrous civil strife that took the security and the unity of the country by storm.

Unfortunately, the opposition has not asked itself, "Are matters today different from what they were yesterday?" The opposition did not ask itself in what climate we are living now. It is this that is making us today--those of us who are concerned about the role of the opposition--accuse the opposition of losing objectivity and even of deliberately trying to create a tense atmosphere that will not benefit the country, the opposition or the course of democracy.

It was very just to ask that we supported the right of the opposition to maintain a strong presence in the scene, impeded by the absolute lists which the recent Egyptian Constituent Assembly proved should be thoroughly reconsidered. This is because these absolute lists turned the council, which was supposed to be a body that listens to the opinions of people of all the various affiliations of the nation, into an exclusive forum for the National Party.

We used to tell the National Party that some of the lack of enthusiasm among the public was undoubtedly due to the lack of competition in the election campaign, even though we did believe that the opposition parties could have accomplished something in these elections had they decided to run despite the reservations they had over the idea of the absolute lists.

The results that were announced proved the accuracy of that view. It is my contention that my feeble voice was not a discordant one in the National Party's forum. In fact, I may say that sympathy for that opinion among the leaders of the party themselves was strong.

But supporting the right of the opposition to maintain a strong presence on the scene is one thing, and the opposition's use of truth and falsehood to dissemble is another.

Let me say that no Egyptian could appreciate or lend credence to the opposition's complete and deliberate disregard for the vital or rather fundamental and serious accomplishments that have been made in the course of democracy.

The opposition whose members were in prison by arbitrary and unjust decisions is now playing its role. It has all the guarantees for free assembly and freedom of speech, and it has the freedom to publish newspapers and the freedom to criticize others to a point that approaches libel.

Yes, these are normal rights, and that is self-evident in a democracy. This is how some people would respond; I do not deny that. But I would like to say that the fact that the opposition left the hateful confines of Turah Prison and headed to the presidential residence is indicative of the courage involved in choosing a democratic course while Egypt's skies were still overcast, warning against danger to the unity, the security and the social peace of the nation.

If the opposition wanted to be fair to itself and to its country, all it had to do was measure how far we've come--both the opposition and the government--since September 1981. Perhaps an objective evaluation of where we were then and where we are now would have made its raging and ponderous statement more acceptable. The statement would have had more impact, not on the government, but on the Egyptian populace which has been left out of the picture by the opposition as well as the practices of others.

If only the opposition had said that the government, whose choice of a democratic course has been confirmed, had restored to the opposition its free press, which is now being published without any censorship.... [If only the opposition had said] that it wanted its share [of time] in the other agencies of the media--radio and television--even though these media agencies ought to be truly national agencies serving those interests that are indisputably national and pan-Arab....

If only the opposition had said that in its statement, people may have listened; they may have understood, or they may have sympathized. But the opposition came up with a statement whose scary introduction stated that the opposition was horrified by the threats to the course of democracy in Egypt at the present time.

Who would believe such statements and who would listen to them?

The opposition said in its statement that the emergency laws were still in effect, restricting the liberties of the country and of citizens. It made no mention of any step that was taken in this regard. It were as though everything that was being done in the country--the repeal of the National Unity Act and the National Security and Citizenship Act; the radical amendments that are now being made in the Suspicion Act; and the other amendments that are being made in the Ethics Law--were being done elsewhere, but not in Egypt. It's as though none of this was being done. It's as though the opposition had not heard of any of this!

Some people might have heard the opposition, and they might have understood it or sympathized with it had it stated that the repeal of a number of the emergency laws was a basic step on the road to furthering democracy and if it had stated that it was looking forward to the repeal of the Emergency Law in a period of time during which the government would have been able to remove all the effects of evil terrorism. But the opposition has been ignoring what happened even though what happened affects everyone. Consequently, the fact that a statement signed by all those representatives of the opposition is denying what happened has to indicate that something here "is not quite right." It indicates that there is more here than meets the eye, and it indicates that those statements lack objectivity and truth.

As all Egyptians know there are only two of the five emergency laws left on the books: the Emergency Law and the Ethics Law.

We all want the Emergency Law to be gone tomorrow. The government has been coming out with an uninterrupted sequence of interpretations of that law. These interpretations affirm that unlike last year, the law has only been used to confront terrorism and evil violence. Due to excessive redundancy, the government's promises [that it will repeal this law] have almost become supplements to that law. All the judges of Egypt must have heard of the government's promises even though the opposition didn't.

Then there is the Ethics Law which regulates the activities of the socialist prosecutor and his judicial staff.

Some opposition newspapers may have manifested the most enthusiasm for the role played by the socialist prosecutor in the previous period as he went after the sources of corruption and its instigators. In the context of the philosophy of the present regime no one can say that the socialist prosecutor has exercised any kind of oppressive action nor curbed any kind of political activity. The role of the socialist prosecutor has been changed in the context of the government's present philosophy. His role now is to prevent people from becoming wealthy by illegal means at the expense of the general public. [His role is to go after those who have ruined the people's food.]

If the opposition had come out with a statement that respects the intelligence of people and if it had said that the repeal of a number of emergency laws was a step in the right direction, it would have perhaps scored a few points. But it did not do that. The opposition willfully and deliberately wanted to increase chances for tension.

I hope that no one will take this to mean that what was called for here was some kind of declaration of gratitude. What is required, however, is that our assessment of matters be objective and that it respect the intelligence of people. Egyptians have grown up; they've become too sophisticated to be moved by provocative headlines or big words that have too often been like mirages.

Experience teaches us that it is the truth, not half the truth, that attracts the attention of the public and captivates their minds. Being true to oneself, to the country and to truth [itself] should have made the opposition more mature and more sophisticated. The opposition should have broadened everyone's hopes for democracy; it should not have blocked out the rays of hope and increased people's frustration.

I would ask the opposition this question: what is the significance of the government allowing the Wafd party, a party that is still in the process of being organized, to hold a general, open political meeting like the one it held recently in al-Sa'idiyah School to commemorate Sa'd [Zaghlul] and [Mustafa] al-Nahas? Does this mean anything other than the fact that the government is determined to pursue the course of democracy that it has chosen?

The opposition told us in its recent statement that it has formed a front that would fight to defend the liberties of the people.

Whose front is this front, and whom is it opposing? That is the question.

One part of that front wants Egypt to be affiliated with the Arab world. Another part wants Egypt to be affiliated with the Islamic world. It is the point of view of that [second group] that Arabism and nationalism constitute a trap whose target is Egypt's Islamic identity. Yet a third part of this front wants Egypt to be just Egypt.

Because the front has to issue a statement and because its statement has to be signed by al-Shaykh al-Sabahi, president of al-Ummah Party; by Lutfi al-Khuli; by Khalid Muhyi-al-Din; by Kamal-al-Din Husayn, by Ibrahim Shukri; and by Mustafa Kamil Murad, it was all right for each one of them to put down everything he wanted to put down no matter how these statements clashed. In the end we found ourselves faced with a slew of conflicting and contradictory recommendations on applying the canonical law of Islam, civil rights for individuals, publishing AL-DA'WAH, or publishing AL-TALI'AH.

The only justification for organizing such a front is the involvement of the populace in Egypt in a battle with a foreign occupier or with a regime that bears no resemblance to the national identity. The only justification for such a front of conflicts is the presence of a large, principal conflict that overshadows all these other conflicts. This would only exist when the soul of a nation is being threatened by the despotism of an occupier or by a government's insistence on making unpatriotic choices.

This is what proponents of the dialectic school would always say--and a significant number of them are members of the front--to justify their old alliance with the Wafd Party during the days of the Wafd Vanguard. [They always said that to justify their alliance] with Nasirism at the height of its rule and totalitarianism, and even with al-Sadat, early in his term as president. That was when

they coined the phrase, "The al-Sadat School: a Mode of Thought or of Application"

We are not in a battle with an occupier, and we are not at all engaged in a confrontation with an unpatriotic regime. There was no need for the factions of the opposition, despite their basic conflicts, to come up with a front which they organized to defend the Egyptian populace.

What is even worse and harder to take is that the meetings of that front are headed by a person who one day put himself on one side of the scale and all of Egypt's parliament on the other side of the scale. He carried more weight than 460 [parliamentary] representatives.

Enough already! We are sick and tired of all this!

Yes, we do want a front. We want the entire country to be a front [operating] under the proper slogan: Egypt for all Egyptians regardless of their affiliations. We want a front that does not place itself in a position of confrontation or conflict with a national government that is struggling under the most difficult and the most dangerous circumstances to produce a proper future from the wounds of the immediate past so that Egypt would have a true democracy and not just provocative images of democracy. We want such a front so that Egypt can achieve its economic independence instead of waiting for assistance from others to regain its non-aligned identity and recapture its Arab face with dignity. We want such a front so that Egypt can provide shelter for its good citizens who did not read the front's statement because they were too busy earning a living for their children. We want such a front so that Egypt can withstand Israel's ongoing most intense campaigns of hatred and extortion.

We would have liked to hear from the leaders of the front something about the soundness of Egypt's current choices and about the efforts those leaders of the front might make to back those choices that each one of them had supported separately. Today, however, they are collectively denouncing those choices or at least deliberately ignoring them.

They will respond by saying, "We want to be involved. We support broadening the right of involvement." But the future does not come out of the past as a rabbit comes out of a magician's cape! The birth of a future from the past is a difficult and an arduous process. The important point in that question has always been this: what has been achieved now, and what can be achieved tomorrow? Are we on a road whose stages would continuously lead us to the objective we are seeking, or are we still standing where we were standing in September 1981? Did we perhaps suffer a setback? Unfortunately, the statement of that respected front suggests [the latter]. This is the front that intends to go out in popular demonstrations to defend the languishing rights of the Egyptian people!

If the front can rally the public to popular demonstrations to defend the languishing rights of the people, why then did it fail to lead those masses to the ballot boxes where they could have exercised their constitutional right to bring about change, if the front has the wherewithal to do that and if it can do that so confidently?

We do know that the true picture is actually quite different from what is being alleged. In fact, we know that all this tension that the opposition parties are now going through started mainly with the election because the opposition parties realize their real stature on the scene. Because we also realize that the presence of the National Party by itself on the scene is not very beneficial, we called last week for the need to reconsider the election by absolute list.

I hope no one will misconstrue this because what is of primary concern to us is defending the idea of a dialogue and having that dialogue continue between all the national forces. The present makeup of the front and its alarming lack of objectivity, as manifested clearly in its statement, stifles the idea of a dialogue from the very outset. As Egyptians burdened with problems, the only thing we can do is pursue the course of dialogue to discover a proper future.

Once again I say that nothing can benefit Egypt now as much as expanding the circle of dialogue so as to make dialogue the ultimate feature and characteristic of the stage. No pre-conceived ideas should thwart this dialogue, and no form of moral coercion should be employed with it, whether that coercion comes from the majority, which wants to have the legitimacy of unanimity replace the other opinion, or whether it comes from the minority, which thinks that overstatement, recalcitrance and provocation can make up for its small size or its small role. This is what Egypt is being subjected to now.

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CATASTROPHIC FAILURE OF ECONOMIC LIBERALIZATION POLICY ANALYZED

Riyadh AL-RIYAD in Arabic 16 Oct 83 p 29

[Article by Ghali Muhammad Sulayman: "AL-RIYAD in Egypt: 10 Negative Years of Economic Liberalization"]

[Text] In a few months, a decade will have elapsed in the life of the Egyptian economic liberalization, and debate is still going on among Egyptian economists, politicians and party forces on whether the economic liberalization policy should continue or be changed. However, officials in the Egyptian government state categorically that thinking is going on, with the aim of creating economic liberalization in a new form which will have the goal of building citadels of productivity, not consumerism. Every day that goes by the issue grows hotter, especially now that liberalization has deviated from its goal and created many contradictions which Egyptian society had not witnessed before.

When the call for the policy of economic liberalization went out, in 1974, it received two assignments, to accelerate the rate of development and help increase the capacity of the Egyptian economy to absorb modern technology, especially in the sectors of the production of goods, which include agriculture and industry. However, the absence of planning for liberalization led the flow of foreign and domestic private capital to be concentrated on specific sectors while it ignored others. As regards the sectors in which it created obvious growth, these were represented by the foreign sector producing for export and service branches with strong ties to the outer world such as hotel and tourist projects, foreign banks, and insurance, imports and free zone companies. The sectors producing basic commodity requirements, such as agriculture, industry, processing industries (clothes and food), transport, communications, education, ordinary housing and health were ignored.

The fact that growth was concentrated on specific sectors and branches, but did not spread to the other sectors of the domestic economy, came to represent an obstacle to the expansion of the productive base of the Egyptian economy as a step along the way to guiding it toward intrinsic growth. This is in contradiction with the reasons that led to the adoption of the policy of economic liberalization.

Economic liberalization is not an end but a means for solving the problems of the Egyptian economy, with self-reliance as its goal. Of these problems, one of the most important is the deficiency of financing, which in particular increased after the October 1973 war and the resulting need to replace weapons and alongside that import foodstuffs, in particular wheat. Egypt was compelled to import these goods by paying cash or using bank facilities and short-term loans on the commercial terms prevailing in the world money markets. Adding to the burdens of the Egyptian economy was the fact that the prices of most of its basic imports started to rise sharply in world markets, and there was no increase in Egyptian exports worth mentioning which would make up for the increase in imports and the rise in their prices. To that one should add that most public facilities and the infrastructure of the Egyptian economy were suffering from extreme deterioration because they had depreciated and because the necessary investments had not been allocated to them during the war preparation period. This all shows that the basic problem was financing and therefore the government relied domestically on financing by creating a deficit while externally it adopted the policy of economic liberalization.

What has economic liberalization accomplished so far in Egypt?

Among the economic effects, the studies point out that the direct additions of foreign capital, at rates of extremely limited capital formation, were not in keeping with the exemptions, privileges and guarantees given to it by the foreign investment laws although the country exporting foreign investments has been linked to Egypt by firm basic ties from the beginning, from the time prior to liberalization. The data shows that the Egyptians have contributed 67 percent of the total investments, and the participation of foreigners has come to 33 percent, while the ratio of foreign currency to total investments has come to 52 percent, which is a limited contribution, whereas the basic goal in inviting foreign capital was to create a perceptible effect on capital formation in Egypt in order to make up for the deficit in local savings, increase Egypt's foreign currency resources, and indeed create something which would have an effect on Egypt's capital formation through the reverse flow resulting from the remittance of the profits of foreign projects abroad, as well as the remittance of the surpluses of the salaries of foreign employers and experts abroad and the instalments and interest on the loans which had contributed to the financing of these investments. So far, this phenomenon has not been measured, because there has been no interest in it, though one should bear in mind that all reverse flows are remitted in dollars, increasing the Egyptian government's problems in procuring hard currency.

The ultimate result of this point was that the volume of foreign investments which have come to Egypt so far has not been large enough to compensate Egypt for its reliance on foreign loans; this is clear from the increasing volume of Egyptian foreign debts in the liberalization period, from its inception to now. That is made clear by the growing increase in the burdens of servicing foreign debts, which according to preliminary estimates of the balance of payments in 1980-81 (total payments of revenues and instalments) came to about 3,477,000,000 pounds.

One can say that the investment projects under the aegis of Law 43 for 1974 and the amendments to it have not helped remedy the imbalance between Egyptian imports and exports -- rather, they have deepened it and therefore increased the severity of the deficit in Egypt's balance of payments. Proof of this is apparent through their inability to export; the projects which started producing are supposed to export the equivalent of 150.5 million pounds a year, but the fact is that their actual exports come to 5.4 million pounds a year, which means that the ratio of the projects realized to targeted exports is hardly as great as 4 percent.

In addition, we find that the exports of projects in the free zones into the Egyptian market come to 560.4 million pounds, that is, 10 times their foreign exports, which are estimated at 61.9 million pounds. Most of their exports are supposed to be outside the country, so that Egypt will be able to procure its foreign currency requirements.

Disruption of the Economic Structure

Since there was no planning, you find that the trend of investments within Egypt resulted in an increased structural disruption in the sectors of the Egyptian national economy. Investments were directed to activities of little importance to development which had a rapid payout, while conversely agriculture and industry were ignored. The data shows that the banks occupy first place among projects; the proportion of [their] capital comes to 19.2 percent of total capital. Meanwhile, investment companies come in second place, with 17.3 percent of total capital, tourist activity occupies third place, with 10.7 percent of total capital, housing, contracting and consulting take fourth place, with 7.1 percent, textiles occupy fifth place of total projects with 4.1 percent, then come the chemical and building materials industries, with 5 percent, and the food industries with 4 percent.

The Liberalization Has Not Even Contributed to Labor

If we look at the job opportunities that the liberalization projects created, we will find that their proportion comes to 0.4 percent of the number of people employed throughout the country as a whole, and should to be considered very small.

It is worth noting that the levels of wages in liberalization projects are greater than their equivalents in similar activities in the Egyptian government and private sector, which works to attract the elite of experts and highly skilled persons from these sectors and activities in a manner which influences production levels and productive competence in public companies. The average wage of Egyptian workers in liberalization projects is 340 percent of that of their counterparts throughout the country; here the negative effect, which is embodied in the creation of two wage levels, which has the effect of resulting in increased discrepancies in incomes, is apparent.

More serious than that is the severe contradiction between the wages of Egyptian and foreign workers in the liberalization projects. We find that the wages of foreign workers in industry come to 26,315 pounds per year,

while those of Egyptian workers are 939 pounds a year; that is, they are 2,802 percent greater. That is, the foreign workers' wages are 28 times greater than those of the Egyptians.

The Restriction of Technology

One of the most important motivations for the liberalization was the transfer of advanced technology to Egypt. There is no doubt that most foreign liberalization projects apply advanced production techniques and methods in comparison with most existing projects in the Egyptian economy. However, on looking closely, we find that the advanced technology which comes in the wake of these foreign projects remains for the most part confined to these projects and subject to the dominance and guidance of the people who own them. In addition, these projects do not strive to make the technology they bring in with them conform to Egyptian economic and social conditions, and on top of that these foreign projects entail the technology of products that depreciate rapidly and promote new patterns of consumption which the Egyptian citizen is unable to sustain.

Social Effects

From the preceding review, it is clear that economic liberalization has been unable to move the Egyptian economy along the road to intrinsic growth. On the other hand, it has created increased negative features and harm which has shaken social life in Egypt. The broad-scale inundation of the market with consumer and luxury goods, not to speak of their greatly increased prices, have led to a rise in the prices of local goods in turn. This has resulted in feeding the forces of inflation, that is, raising the costs of living, especially for people with limited incomes, such as the class of minor government officials, while we find that the seventies, that is, the period of liberalization, witnessed a great disruption in the structure of the distribution of incomes to the disadvantage of people with limited incomes. This is clear through the tendency of the relative share of income from labor of national income to decline, from 50.4 percent in 1977 to 30.3 percent in 1979, and consequently a rise in the relative share of income from equity in ownership, from 49.7 percent to 69.7 percent in the same period. This trend should be considered an implicit redistribution of limited incomes in the favor of people with large incomes, because the incomes of people with limited incomes generally are obtained from earnings from labor, while the incomes of people with large incomes generally result from earnings from production.

At the same time, with the increase in investors' incomes, as a result of guarantees and tax and customs exemptions, in addition to the grant of freedom to investors to price their products, we find that no change has occurred in the tax structure to match the rapid change that has occurred in the structure of national income distribution; the share of indirect taxes, which are always borne by people with fixed incomes, accounted for 75.4 percent of total taxes in 1979, while direct taxes accounted for just 23.6 percent, in spite of the change in the distribution of the structure of incomes in favor of equity in ownership, which came to 70 percent of total domestic income.

In addition, liberalization has created some classes which are called [those of] parasites, who have managed to realize large incomes through brokerage, agency, currency trade and smuggling activities, as well as some craftsmen such as plumbers, construction men, and others whose wages have risen.

Citizens with limited incomes continue to suffer, and this results in exacerbating the severity of the grumbling among these classes and consequently in increasing the severity of the social struggle, especially in light of the new patterns of consumption which surround the citizens with limited incomes. It is not unusual to see some educated classes which had status before the liberalization, such as judges, university professors and so forth, and find that they have become confused with their lot, especially in light of the attitudes of society, which now confers status on people in accordance with their cars and clothes. Plumbers can buy deluxe cars in less than a month, while judges, who render judgment justly, and university professors, who teach generations of people and instill values in them, cast about for means of transport to take them to work. These might be buses inundated with passengers or other modes of transport. The reason is that the balance in Egyptian society has been overturned and wages have become disrupted in the period of economic liberalization, and the liberalization has become shot through with negative features, with the symbols of corruption who appeared during the period of economic liberalization. The result may be that young people will commit social crimes because of crises which are the result of the economic liberalization.

However, the first signs of hope have appeared with the first year of the 5-year plan in Egypt because the Egyptian government has managed to carry out the plan, which includes the private sector. This might be an indication of the potential for success of planning in the mixed economy in Egyptian society. In light of this, some currents in the Egyptian government are calling for the adoption of planning, while putting pressure on the private sector by indirect means, for instance setting out the necessary legislation and raising the competitive ability of the Egyptian public sector, so that planning will be the safety valve against total dominance by a private sector which is striving to achieve rapid profits at the expense of national goals, on condition that Egyptian officials not be subjected to the rumors that are being bruited about, to the effect that the private sector will smuggle its money abroad, because these rumors are circulated only in the event the private sector feels that the government will adopt decisions to protect economic and social conditions in Egypt.

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APPROVAL OF NEW INVESTMENT COMPANY RAISES QUESTIONS

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[Text] Cairo, AL-SHARQ AL-AWSAT Bureau. The Egyptian Investment Authority last week approved the establishment of an investment company with an authorized capital of 100 million Egyptian pounds. The speed with which this approval was given raised many questions about the importance of this enterprise. Former minister of finance Fu'ad Husayn, in his capacity as the authorized agent of the Egypt Investment Company, submitted on 4 September a request to the investment authority to establish this enterprise and got approval on 11 September.

The enterprise's aim is to establish a securities and investment company, in accordance with investment laws, to operate in the field of organizing, issuing and marketing shares in new or established companies; issuing bonds for companies and institutions; marketing securities; studying, analyzing and projecting profits of new companies to present to investors in order to acquaint them with investment opportunities; studying the advantages of investing in new issues; offering technical consultation to private and public establishments; acting as securities exchange brokers; and dealing in Egyptian and foreign securities.

The company was established with the participation of the following public sector firms: the Egyptian National Bank, the Alexandria Bank and the Mier Insurance Company; and the following foreign and joint banks: Iran-Mier Bank, Chase National Bank, and International Delta Bank. This in addition to the Joint Arab Investment Bank--an investment company established under the investment law--and the International Monetary Fund.

Perhaps the distinctive signs surrounding the emergence of this company explain the reason for the speed with which it was approved. The first sign is that the originator of the idea was the Egyptian National Bank (public sector). This idea was in keeping with Egypt's current economic need for the activities of this company, especially that increased industrial and agricultural activities have not been coupled with the establishment of monetary institutions specializing in capital market services.

The second sign is international support for the company, in that it was consistent with recommendations in the IMF's 1981 report on Egypt and

underscored by the Fund's contribution to its capital of 30,000 shares worth \$3 million out of the issued capital of 20 million Egyptian pounds.

The third sign is Egypt's current need for a national securities company. It is clear that Egypt's economic structure has been going through a visible change ever since the economic open door policy was adopted in 1974.

Financial sectors, banks and insurance companies alike represent the institution's primary base, but its activities are based on commercial credit or investment financing, while the local market lacks financial establishments that play an important economic role in offering services related to the creation and promotion of companies. It also offers all kinds of services related to securities, in addition to its role as the link between projects and individuals who want to invest.

This means creation of a brokerage firm to attract and channel a portion of savings toward various investment activities; hence, a firm with market research capabilities able to study and project market developments, including recession or expansion, and to promote enterprises, in addition to the fact that being a contributing partner lends support to enterprises during their first critical years.

Finally, the fourth sign is that the economic open door policy in Egypt has enabled a large sector of individuals to increase their income and, consequently, their savings, but they do not have enough experience to set up small enterprises and prefer profit-sharing over fixed interest rates. Consequently, a company such as this can draw up a system suitable for attracting such savings.

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PROBLEMS, FAILURES OF LAND RECLAMATION SOCIETIES REVEALED IN DEPTH

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[Article by Sulayman 'Abd-al-'Azim and Majid 'Atiyah: "Truth and Deception in 59 Land Reclamation Societies!"]

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[Text] More than a year ago, AL-MUSAWWAR, in a journalistic report, made an expose on lost government land that some people had appropriated in various governorates. This report had an effect on government action to protect this land from loss. In Alexandria, for instance, the Agency to Protect Government Lands was formed, and this has so far managed to obtain more than 40 million pounds from people who unrightfully appropriated government lands. Today AL-MUSAWWAR is opening the file on the cooperative land reclamation societies in Egypt, now that a most serious phenomenon has become widespread in recent years, that of the takeover by some of these societies of vast areas of land by appropriation, after which the societies have requested [land] allocations. Official figures show that most of these societies are not productive in the least and that they appropriate these lands, then use them for other purposes. In Egypt there are 59 societies which were supposed to reclaim 263,515 feddans of desert land but, now that approximately 12 years have elapsed, have reclaimed only 9,000! The facts stress that some people who appropriated these lands were bedouins who were engaged in grazing sheep on this land, then considered it their own property by appropriating it, and some influential well known persons. A glance at actual conditions confirmed that some of these societies contented themselves with setting forth phantom structures and set out iron fences around vast areas of land, though there was nothing to indicate that they intended to reclaim them, but rather were waiting for their prices to rise so that they could dispose of them by selling them. Some others contented themselves with building small rooms which were used by armed guards for the area, then a large sign on which the name of the society was written. Others resorted to selling these lands to citizens who used them as places to store their goods. There are also people who determined to sell the land to more than one citizen at one time! The file on cooperative land reclamation societies is full of techniques of deception and insinuating attempts to give the government the impression that the societies were progressing, in-

the process of reclaiming the land. However, all facts and figures confirm that these societies took over these lands for purely commercial purposes. Where is the truth and where is the deception in all this? What do people in charge of monitoring these societies say, and what do the heads of these societies say as well?

You can find the picture which is extremely noticeable and clarifies the processes of land appropriation under the slogan of the land reclamation societies on the desert highway between Cairo and al-Isma'iliyah. There about 70 percent of the desert and fallow land on both sides of this road has been appropriated by a number of bedouins who were engaged in tending sheep, then left their work and appropriated the land on which they worked as shepherds, and started to deal in the land itself, as if it was their own property in full!

This process began in the seventies, when the government thought again about giving permission to the private sector to reclaim, newly farm and cultivate land. These bedouins found in that a golden opportunity to go about appropriating vast stretches of land which they could dispose of as they liked.

Some of these bedouins became millionaires by engaging in the sale of land, while others attained a fantastic level of wealth, to the point where they were called "kings of the desert" and "expropriators!"

These people took part with a number of businessmen, some well known people, and some people with influence who had joined together in land reclamation societies and resorted to appropriating large areas of this land before informing the societies, then demanding that these large areas be allocated to the societies they had formed -- after which they would start to subdivide the land among the members of the society, and the members would resort to establishing "phantom structures" on the land they obtained from the society as a kind of deception, to lead the government to believe that they were serious in reclaiming it and farming it. Some of them put up large "signs" on which they wrote the name of the society and the use of the land, so that others would not pounce on it!

These people generally do this in anticipation of an increase in the price of this land, which they bought by the feddan, so that they can sell it later by the meter!

Others resort to turning the land into "storehouses" for such goods as automobile spare parts, elevators, and other types of cargoes in massive wooden crates. Some of them have set up poultry farms on the land, on a small portion of the acreage they have obtained from their society, and have held onto the rest of the land without reclaiming it. These people have thus deliberately engaged in a sort of deception, in order to divert the government from themselves, although they are committing a blatant violation, namely using a part of the land allocated for reclamation for other purposes and leaving the rest while in their own minds working toward an objective which the law does not allow!

The important point in all of this is that it has been established, by scientific proof, that there are 59 land reclamation societies in Egypt which

were supposed to have reclaimed 263,515 feddans of desert land, but after approximately 12 years had elapsed only 9,000 feddans were reclaimed!

This phenomenon is most rampant on the Cairo-al-Isma'iliyah desert highway and the Cairo-Alexandria desert highway as well.

Seeing it in its actual state affirmed to us that there are types of citizens who have resorted to purchasing some land from societies which began to dispose of the land that had been allotted to them by selling it to people who were not society members, which is totally against the law!

Samir Rabi' and his brother Ibrahim Rabi' bought a plot of land bordering the Cairo-al-Isma'iliyah desert road for 4 kilometers, from Kilometer 35.7 to Kilometer 39.7, and put a sign on it bearing the name "October Cooperative Farm." However, if you look closely into the matter you will find that the October Cooperative Farm does not exist and that there is not a single meter of land on it where green plants are growing. All that is to be found on the land are some storage areas for crates containing spare parts for elevators and machines they had imported from West Germany; they certainly came to the area to exploit it commercially, not with the goal of reclaiming it.

On the land of the October Cooperative Farm, we found only a single watchman, who had set up a small room from which to guard the storage areas and the land.

This watchman told us that he was getting a monthly salary of 200 pounds besides his daily food, which he received from the owners of the land. He also stated that the owners of the land did not go there at all, except when a client came to take delivery of goods they had sold him, which happened once a month.

When we asked him the story about the sign and the farm, approximately:

He said, "I am a warehouse watchman here only, and I do not know anything about the farm!"

Sign after Sign

We continued along the road, which was about 100 kilometers long, and our eyes hit upon sign after sign, all bearing the names of land reclamation organizations, with the names of their owners on them. There was a sign on which was written "The al-Zahra' Model Organization," owned by five doctors and engineers -- Dr Alfi Abu Jurays, Dr Rasmiyah Nasif, Eng Ahmad Muhammad Ibrahim, Eng Mahmud al-Bulaqi and Eng 'Ali Muhammad Kamil. These people had contented themselves with putting up a sign with their names, then left the "farm" totally unreclaimed; the land has been yellow for the 7 years that have elapsed since they received it although they have written on the sign that the "farm" uses the most modern international irrigation methods.

You look for the most modern irrigation methods, or even for the presence of a single green shoot on the land, and you do not find it!

Why Did Those People Do That?

When you hear the response from some people living in the area you discover a strange fact: they are unquestionably waiting for the price of the land to rise as a result of the construction which they expect will encroach on this area, raising the price of the land for which they paid milliemes in order to get millions as a consequence!

The strange aspect of the matter is that no one asks these people what they did over the past 7 years to reclaim the land they received in order to develop it, as it is still in the condition it was in -- arid desert waiting for its price to propel them into the ranks of millionaires!

Silmi and the Al-Salam Society

Rida al-Sumr, a young man with a bachelor's degree from the Higher Commercial Institute, told us that he had bought 100 feddans from Silmi Salim Salman 2 years ago for the price of 50 pounds per feddan; it was government land fronting on the desert road at Kilometer 25. [He said] "Although I am working in al-'Arish for a salary of 220 pounds a month, I am waiting until my neighbor Abu 'Alyan, who bought 100 feddans from Mr Salim Salman, the brother of Silmi Salman, farms and makes a success of his project, so that I can start reclaiming the land, of which I have not yet reclaimed a single feddan!"

Rida al-Sumr added that 1,000 feddans belonged to a citizen called Sayyid Tawfiq who took over some land by appropriation and bought the rest from bedouins and societies!

He went on to say, "Some land reclamation societies which fail to reclaim land are dividing it up among affluent members so that each of them can establish a poultry farm or dispose of it by selling it as they wish, as was the case with the al-Salam Society, one of whose members sold the plot which it had allocated to him to Silmi Salim Salman."

Because of the importance of the man, we went about looking for him, and met him in the village of al-Mahsamah in al-Qassasin. The man told us his story with the land he had appropriated, saying, "We have been living in al-Mahsamah since 1949, my father married four times and fathered 13 sons and seven daughters, and I myself have married three times and have 15 children. Only 30 feddans of land are left to my family, divided up among my 20 brothers and sisters. Although I am the chairman of the People's Assembly in al-'Arish, I spend most of my time in al-Mahsamah, facilitating land purchase activities for citizens. For that I get a commission which does not exceed 5,000 pounds for every 15 feddans. 'The quality is what exists,' according to the personal qualities of the customer. Perhaps some people may attack me, and this has happened, but isn't dealing in land better than dealing in contraband?"

"If they spread about the rumor that I am a king of the desert, my only reply to that is that I have been a go-between only in the purchase of 10 percent of the land people own along the Cairo-al-Isma'iliyah desert road,

and I am not the only person doing the appropriating -- there are many others besides me, such as al-Hajj Salah Abu Jurays, from whom some Palestinians bought 1,500 feddans on the Abu Hammad-al-Isma'iliyah road. In addition, a businessman called al-Shanti bought 500 feddans from 'Ali Dabbus, Jamal Bishr and his sisters, and no one who is not a bedouin can appropriate a square inch of this land without agreement from us!"

No One Is Farming the Land

Silmi Salim Salman added that 70 percent of the land located on the Cairo-al-Isma'iliyah desert road consists of "appropriations" and 75 percent of this land has not been reclaimed. Indeed, the people who appropriated it were content to put up poultry farms or set up signs bearing their names, and most of these people are well known businessmen and performers who came to invest their money for purposes other than those for which the government has set this land aside. That is, they basically were harboring the intent of buying this land for use on other projects besides reclaiming it.

Silmi Salim Salman alleged that he in participation with Abu Basil, owner of poultry farms, had bought some land from the al-Salam land reclamation society which lies right on the road along a stretch of 250 meters, and covers an area of 250 feddans within the desert!

Silmi vehemently refused to bring out the contract by which he had bought the land from the al-Salam Society for us, using the pretext that it was not in his possession now, because he was keeping it in al-'Arish, and that he would show it only if the al-Salam Society denied that it had sold him the land!

Ibrahim 'Ali Ahmad related another fact regarding the al-Salam society's practice of selling land allocated for members to people who were not members. Ibrahim told us that his father, before his death, had ceded to al-Hajj Gharib, chairman of the al-Salam Society, his share of the land he had obtained from the society, which was 20 feddans in area; al-Hajj Gharib sold it to another citizen who was not a member of the society.

Ibrahim added that his father was not the only person who had ceded his share of land to al-Hajj Gharib; indeed, there were many members who had also done so, like his father, and al-Hajj Gharib proceeded to sell that to non-members in exchange for earning large sums for his own pocket!

In the same area, we met with the citizen Muhammad Abu Tarbak, who said that before he had formed the al-Salam Society, al-Hajj Gharib appropriated extensive areas of land which were later allocated to the society to reclaim, and by virtue of his influence in the area he became a head of the society and the only person who disposed of the land, since he obtained a power of attorney from the members which delegated him the freedom to dispose of the land by selling it to members of the society and non-members. He even sold to a citizen named al-Hajj 'Abd-al-Hamid Dassuqi hundreds of feddans of society land located in the heart of the desert, far from the road, and al-Hajj 'Abd-al-Hamid Dassuqi is now selling it to citizens at fantastic prices.

What Does Al-Hajj Gharib Say?

Since, if this is true, it is to be considered a blatant violation of the law by the al-Salam Society, it was necessary that we meet with al-Hajj Gharib, the chairman of the al-Salam Land Reclamation Society.

When we confronted al-Hajj Gharib Hasan Salamah with the facts Silmi, Ibrahim and Abu Tarbak had mentioned, he denied that he had sold any piece of land allocated for members to people who were not members, and said that before the formation of the society in 1978 he had appropriated an area greatly in excess of that allocated to the society. He also said that the society included honorable well known persons such as Dr Sa'fan, professor of construction in the 'Ayn Shams Engineering [Faculty], and other figures who would not allow speculation in the land allocated to the society.

Who Is Farming the Land?

What, however, do the heads of some of the other societies say about this serious phenomenon?

Eng Muhammad Hasan 'Ali Ja'fari, chairman of the al-Sahara Redevelopment Society in al-Manayif, al-Isma'iliyah, said "The people who are actually reclaiming land have moderate incomes, while the others do not want to reclaim and farm -- rather, they have entered this area as a way of trading in land or use it as areas for storing their goods, which the warehouses in the cities are incapable of accommodating. However, there is a problem which has been facing most societies, and that is the presence of people who claim to be owners of the land allocated to the societies by the Land Reclamation Authority or the General Reconstruction and Agricultural Development Authority. The al-Sahara Development Society which I head up has fallen prey to this problem; there is a citizen called Mahmud Fahmi 'Ali, alias Jawdah al-Laghti, who with his brother 'Abd-al-Mun'im Fahmi, alias Abbudah al-Laghti, appropriated 2,500 feddans of the area allocated to the society, which totals 5,300 feddans; we complained to officials in al-Isma'iliyah Governorate, then to the governor himself, and no decisive solution for expelling these people from the land was found; I called 25 people from the Governorate of Asyut and had them reside on the plot of land, but after a period of time these people joined the al-Laghti group and our only recourse was to the solution that the governor of al-Isma'iliyah, 'Abd-al-Mun'im 'Imarah, recommended to us, which was to give us an additional 2,500 feddans from adjacent al-Salam Society land, in place of the 2,500 feddans appropriated by the al-Laghti brothers, who are among the biggest dealers in government land in the al-Isma'iliyah Governorate, especially on al-Fann and al-Mahtah Streets."

Who Does the Society Belong to?

The chairman of the al-Sahara Redevelopment Society in al-Manayif added "Although the society has a contract with the Governorate of al-Isma'iliyah and although it receives instalment payments from the members of the society, the General Redevelopment and Agricultural Development Authority does not acknowledge this sort of conduct and threatens to take the land away

from the society. I do not know who the society belongs to -- the Governorate of al-Isma'iliyah or the authority?

"Perhaps this conflict between government agencies is the direct reason for the fact that some societies dispose of their land by keeping the land from reverting to the government!

"I cannot say that all the societies deal in the land the government hands over to them, but there are some societies which actually do do that, and I will excuse myself from mentioning their names.

"People who deal in government land are freelancers who are spread over all of Egypt, in companies or societies, or work by themselves as individuals, but not a single member of our society has sold his land to any outsider who is not a member, and perhaps the reason for that is the fact that the society's land is very far from inhabited areas. I can say that if water is brought onto the society land the price of a feddan would leap up fiftyfold at least."

On the right hand side of the Cairo-al-Isma'iliyah desert road there is a society named the New Hope Society which is 4,000 feddans in area. It has 376 members, each of whom has 10 feddans. The chairman of the society is a retired counsellor named Ahmad 'Abd-al-Rahim who let us go to the site of the society. We found only the watchman and 2 feddans that had been reclaimed in the course of 9 months!

We went to the site of the society in al-Qubba Gardens. Mr 'Adil Abu Taha, the secretary of the society, opened the door to us. We tried to talk to him, but he excused himself, telling us, in these words, "I am refusing to talk now because work in the society has been suspended." He added, "The person who can talk about this is the chairman of the society."

We went to Nakhlah al-Muti'i Street in Heliopolis, where the chairman of the society lived. We found his villa locked up as he was spending his vacation at a summer resort.

We learned that he had issued a decree eliminating the allocation to this society from the General Reconstruction and Agricultural Development Authority, and the society had not yet released that decree!

At a distance of just 10 kilometers from Cairo, right on the desert road on the way to Cairo, there is the Society of Arab Farmers. The members put up signs on their land, which the society had allocated to them. The total area the society had obtained is 400 feddans, of which the members had reclaimed only 150 feddans. The members, who are owners of the plots, put up a sign stating "Farm of Eng Muhammad Mahmud 'Abd-al-Qadir," another stating "al-Hajj Surur 'Abd-al-'Aziz Muhammad and sons," a third bearing the name of Dr Jamal Muhammad Ahmad Nawwarah, a fourth stating "Farm of 'Adil 'Ali 'Abd-al-Raziq," a fifth belonging to his brother Muhammad 'Ali 'Abd-al-Raziq, a sixth belonging to Eng Muhammad Sabri 'Uthman al-Damarisi, a seventh belonging to Eng Muhammad Mustafa 'Uthman, an eighth for a farm belonging to Eng Ihab Mahmud 'Abd-al-Sattar, and a ninth for the dairy farm belonging to

its owner Muhammad Khalifah, followed by the names of Ahmad Mahmud 'Abd-al-Qadir, al-Hajj Mahjub Yusuf, Rida Mursi Ahmad al-Damarisi, and Dr Mahmud al-Sa'i and his partner Eng Usamah Muhammad Farid, who put up a wall around the land and built a house in the middle of the land to protect it from the greed of bedouins in that area who might be tempted to appropriate it.

The Largest Society in Terms of Area

The al-'Adliyah Society is the number one society in terms of the amount of land allocated to it. A statement by the General Reconstruction and Agricultural Development Projects Authority in the Ministry of Land Reclamation states that 14,455 feddans have been allocated to it in Bilbays, but the agricultural engineer Jamal 'Abd-al-Hamid Ramadan, chairman of the society, said, "We have obtained only 12,000 feddans from the authority since 1976, and have appropriated another 7,000 feddans for which we are now paying rent preparatory to taking possession of it. The 12,000 feddans will be distributed to 1,200 members, at the rate of 10 feddans per member. We have made a contract with a British company to irrigate the land for the members."

The chairman of the society went on, "We are suffering from repeated acts of trespassing by some individuals against the land allocated to the society, especially the land located along the paved road. There is a person named Jawdah al-Rawash who wrongfully took over 90 feddans of the society's land. He is not the only person who has taken over land; there is a person called al-Dafrawi who wrongfully seized 60 feddans, al-Ahwani, who took over 20 feddans, Najib Jadd, who wrongfully took over 150 feddans, Kamal Anis, who appropriated 180 feddans, planted it, and expressed his readiness to come to terms with the society but is asking for 170,000 pounds in farming compensation to leave the land (at which point we requested a ruling from an expert to determine the value of the appropriate compensation), and Yusuf Rizq, who appropriated 170 feddans, the reason being the rise in the price per feddan to 7,000 pounds in the areas near the society's land.

"The result of these acts of trespass was that members pulled out. The number of people who withdrew out of fear of the bedouins came to 150. One bedouin, called 'Abdallah al-Sani', took over 500 feddans situated along the road, and although we wrote up a citation against him he continues to keep it under appropriation and confronts us with arms and fire whenever we try to reach an understanding with him. As a result of that, some members withdrew, while others remained, but those who remain have an aversion to spending money on land allotted to them when others are appropriating it!"

The Picture along the Alexandria Road

There is a society called al-Qata and Abu Ghalib to which the government gave 2,000 feddans on the Cairo-Alexandria desert road, by an allocation decree issued by the minister of redevelopment; however, the authority issued a decree cancelling this allocation, because the society had committed some violations.

The chairman of the society, Fu'ad Ibrahim 'Ali, said,

"The chairman of the General Reconstruction and Agricultural Projects Development Authority, Eng Zaki Arna'ut, who took the place of his successor, Eng 'Abd-al-Hamid al-Tudi, is the one who issued a decree freezing the allocation in February 1982, and the society was informed of that only in July 1983. We, as a society, do not consider this a cancellation but rather a freeze of the situation until the studies bearing on the groundwater reserves in the area are completed, in order to discover the extent to which they have an effect on al-Sadat City. We have turned to the judiciary and have been allocated a session on 3 October in the Giza court of first instance."

Allocation on Paper Only

On the same highway there is a society to which the government allocated 1,000 feddans on paper. When it went to receive them in al-Isma'iliyah, it did not find them. That is the Green Egypt Society. Dr Mahmud al-Qadi, member of the society's board of directors and professor of land in the Desert Institute, said "The society has not received the land yet, because there are 50 men appropriating the society's land. When we found difficulty in expelling them from the land, we asked that another alternative area be allocated, but the other plot had technical problems since it was difficult to reclaim it, and we therefore asked for a third, alternative plot, situated on the Cairo-Alexandria desert road at Kilometer 75, also 1,000 feddans in area. The society has not received that yet, although we are really serious about reclaiming it."

He then said "The government will not be able to control society members' actions of relinquishing their land to relatives or strangers, because those actions were not taken into account."

This statement by Dr al-Qadi conflicts with the statement of the director of the followup department in the authority, 'Abd-al-Hamid Barakat, who said that the evaluation would determine the status of some societies to which land was allocated that have not done the reclamation. He gave the Green Egypt Society as an example of that.

The forms the societies take are numerous. There are many other examples of allocations on paper only. There are for example 8,207 feddans, which is the area of the Lesser Ghamazah Society, which was allocated on paper; the real area allocated to the society dropped to 3,768 feddans. How was that?

Maj Gen Ahmad al-Hindi, chairman of the society, said that a group of local assembly members in the town of al-Saff had taken the land.

Specifically, they were Ahmad 'Abd-al-Hamid 'Azzuz, 'Abd-al-Ra'uf Bishr, chairman of the local council in al-Saff, Amin Basyuni, member of the local council of 'Arab al-Hisar, Sulayman 'Atiyah Jirjis of the survey authority in al-Saff, Subhi Rabi', 'Ubaydallah al-Sani', Salah Qannas Salim and Sa'id Hasan Isma'il. They appropriated 700 feddans of the land allocated to the society by an allocation decree issued by the minister of irrigation and land reclamation, Eng 'Abd-al-'Azim Abu-al-'Ata at that time, and the land

was handed over to the society at a ceremony attended by President al-Sadat himself at the site of the land in 1978.

These were not the only ones who took land; the former governor of Giza, Ibrahim Lutfi, allocated 3,200 feddans of society land to the Argillaceous Clay Company, and the council of the town of al-Saff appropriated 2,000 feddans, which it is now distributing.

170 Feddans Are Being Reclaimed out of 7,400

Brig Gen 'Abd-al-'Aziz Muntasir, chairman of the Ahmad 'Urabi Society, the society to which the government allocated 7,400 feddans but which reclaimed only 170 feddans, said, "We did not sell the land, but drilled 14 wells since receiving the land in 1979. However, the degree of salinity of the water in the wells came to 6,000 parts per million, which is an extremely high level, of no use in agriculture. This is the problem that faced the society, since we had no choice but to plant eucalyptus and casuarina trees. The members of the society started to pull out of it after they were surprised to see that the government had ignored them as far as establishing services and infrastructure projects went. I can say that the government did not meet its commitments in providing services for the reclamation stage. In spite of that, we reclaimed 170 feddans at our own expense."

The strange thing is that the society asks the government to reclaim land it owns, although the government gave it this land to reclaim and farm.

The Discovery of Five Phantom Societies

During AL-MUSAWWAR's tour of the Cairo-Alexandria desert road, it discovered that there were five phantom societies that had put up signs bearing their names though they were not registered with the General Reconstruction and Agricultural Development Projects Authority. These societies had resorted to reserving land owned by the government while waiting for a decree allocating the land to them. These societies are the Abu 'Ajzah Society, which reserved an area of land situated right on the paved road for a distance of 4 kilometers, second, the Canal Land Reclamation Society, third, the Cooperative Friendship Society, which had appropriated an area with a frontage of 3 kilometers, starting at Kilometer 75, fourth, the Heliopolis Land Reclamation Society, at Kilometer 52 on the right hand side of the road leading to al-Ismailiyah, and fifth, the Reform Society for Agricultural Development, which had set up a sign saying that the land belonged to the society.

What position does the body in charge of allocating the land take regarding these societies which had submitted registration applications that have not yet been discussed? Can the authority reclaim this land before it is lost?

The Position of Some Societies

A followup report made by the General Reconstruction and Agricultural Development Projects Authority, which is in charge of following up on 59 land reclamation projects, points out that there are some societies which have not reclaimed land although many years have elapsed since land was handed over to them.

The report points out that the Pyramid Desert Society, which was allocated 2,000 feddans in 1964, has reclaimed only 8, that the al-Qata and Abu Ghalib Society has reclaimed only 40 feddans although the authority allocated it 3,000, and that the Ahmad 'Urabi Society which has 7,400 feddans has reclaimed only 130. The Ahmad 'Urabi Society has reclaimed only 2 feddans although it was allocated 4,000, while the Peace Society, which was allocated 5,500, has reclaimed only 10 feddans, and the Green Egypt Society has reclaimed nothing, though it was allocated 1,000 feddans.

It is worth pointing out that the total land area the government allocated to all the societies comes to 263,515 feddans, of which just 9,000 have been reclaimed.

60 Percent of the Societies Carried out Appropriations First, And Then --!

An official in the General Reconstruction and Agricultural Redevelopment Projects Authority asserted that at least 60 percent of the registered societies, which number 59 so far, appropriated land before they were registered!

The Person in Charge of Monitoring the Societies: Phantom Dealings with Societies Take Place on Paper Only; An Evaluation Is Now Being Made To Determine the Status of Each Society

Eng 'Abd-al-Majid Barakat, director of the land reclamation society followup department in the Reconstruction and Agricultural Redevelopment Project Authority of the Ministry of Agriculture and Land Reclamation, said "There now are 59 cooperative land reclamation societies scattered out over 12 governorates. In al-Isma'iliyah there are nine societies to which a total of 41,175 feddans of land have been allocated, in the Governorate of al-Qalyubiyah five, with an area of 14,400 feddans, in Giza six, with an area of 20,361 feddans, in the Governorate of al-Buhayrah seven, with a total area of 25,158 feddans, one in Marsa Matruh whose land area is 3,500 feddans, another in the Governorate of Dumyat with an area of 5,000 feddans, and three in the Governorate of Kafr al-Shaykh with an area of 11,720 feddans, while there are 11 societies in the Governorate of al-Daqahliyah with an area of 53,683 feddans, nine societies in al-Sharqiyah Governorate with an area of 62,217 feddans, and 6,000 feddans in the Governorate of Qina occupied by just two societies. In Sawhaj there is one society with an area of 1,000 feddans, and there are four societies in Aswan with an area of 9,300 feddans, which are emphatically among the most successful of the societies. That is, there are 59,000 societies which were supposed to have reclaimed 263,515 feddans.

"These societies began spreading out in 1977, except for the Pyramid Desert Society, which was established in 1964. We are not against the existence of these societies -- to the contrary, we encourage them, because we know that the private agricultural sector has an effective, direct role in creating agricultural development. However, this does not mean that the role the public agricultural sector will play will diminish at all.

"We found that there are some societies which have not met the goal for which they were established, which was to reclaim land and farm it, such as

the Green Egypt Society, which was issued a decree for the allocation of 1,000 feddans but has not reclaimed a single feddan. Likewise, there are societies which have not reclaimed land but have established poultry farms and feedlots.

"In another area, we have cancelled the allocation of land to two societies. [First is] the al-Qata and Abu Ghalib Society, to which 3,000 feddans were allocated on the Cairo-Alexandria desert road; it sold part of its land to a citizen who was later trapped when he was subjected to fraud on the part of the society which had sold him land that it could not legally sell. That society reclaimed just 40 feddans.

"The other society is the New Hope Society which was allotted 4,000 feddans on the Cairo-al-Isma'iliyah desert road at Kilometer 26 but reclaimed only 2 feddans. The authority, for reasons which it is keeping to itself, cancelled the allocation of 4,000 feddans to the society, which filed suit against the authority, demanding that the authority's decree cancelling the allocation be cancelled. The judiciary will review this case next October."

The person in charge of monitoring the societies added "There is a law regulating the activity of these societies, Law 143 for 1981, which was issued by the minister of housing and the minister of state for reconstruction and land reclamation, called the desert lands law. This law set out the criteria on whose basis the societies would or would not last. In addition, the law set out the period of time in which these societies had to complete the land reclamation activities in full. An evaluation is being made of the status of each of the societies, which now total 59 in number, after the cancellation of the two abovementioned societies, and, in the context of the results this evaluation arrives at, a period of time will be determined for each society to complete the work of reclamation and initial planting. That sign will give us an indication of the seriousness or lack of seriousness of the society. More clearly, I can say that the societies that want to act aberrantly are the ones that will not commit themselves to completing the reclamation and initial planting within the time specified, and if they do not make this commitment the authority will immediately take back the portion that has not been reclaimed and planted.

"The current evaluation, which the Authority has been carrying out for 5 months, will determine the status of these decrees and the period they will last. Examples of these laws are Law 100 for 1964 issued by the General Desert Redevelopment Authority and the Land Reform Authority.

"It is worth pointing out that all the 41 societies were registered and redeclared in accordance with the agricultural cooperative activity law and the authority will tally the area that is in the ownership of each society, whether that was through appropriation or allocation, in accordance with the evaluation. More clearly, the authority will in the light of the evaluation be able to agree to the actions the societies took and register the sales or rental contracts preparatory to the societies' assumption of ownership of the land in its possession, and a specific period will be set out."

The man in charge of monitoring the 59 societies said, "We are dealing with every society in accordance with fixed, specific criteria, regardless of the

type and the people who belong to each given society. There is no room now for any intervention or favoritism on the part of anyone, and the authority has carried out no exceptional conduct now in the past 2 years, whether in the case of individuals, companies or societies. I can say that the authority's dealings with all societies take place through papers and by official means, without any pressure on us from anyone.

"To this moment, I cannot say that there has been a single successful society, except for three in the Governorate of Aswan, the Gift of the Nile, the Welfare, and the Aswan Societies, whose areas are 1,000, 700 and 2,600 feddans, respectively.

"I am not responsible for the failure to apply the conditions on the distribution of land to the societies. The conditions were supposed to apply to the societies, but what is supposed to happen is one thing and what happens in some societies is something else.

"Individuals and societies have appropriated all the land situated on the Cairo-Alexandria desert road and these cases are now being investigated. The appropriations by all societies and individuals to whom a decree of assignment of ownership has not been issued will be cancelled.

"The price per feddan before reclamation is no less than 120 pounds, and it can increase to 400 pounds in the event it is sold by the society before it is reclaimed.

"All the 59 societies have a legal form, since publication has been made on them in the newspaper AL-WAQAI' AL-MISRIYAH, that is, they have a legal personality, and they can deal with others, after the assignment of an official delegation to their representatives. However, all societies are prohibited from engaging in sales. A few months ago, the minister of redevelopment and land reclamation abrogated two societies, the Resurgence Society in al-Isma'iliyah and the Faith and Hope Society in southern Liberation [Province].

"In the seventies, expressions appeared which were not new but became so widespread that in their totality they came to constitute a serious phenomenon, and these were the expressions of reserving and appropriation.

"In this period weren't there any accounting or followup activities with these societies, from the time they were founded until the middle of 1982?

"Most unfortunately, however, the presence of these societies is characterized by legitimacy. At this point, I can say that if any society acts aberrantly or sells its land the authority will be considered responsible for this aberrance in full, and it is the duty of the authority to face this aberrant conduct, whatever its form or the person who committed it might be. We are waiting for what the evaluation the authority is making now will reveal."

[No 3078, 7 Oct 83 pp 64-67]

[Text] Is the issue of land reclamation and the transformation of the desert into green areas just the responsibility of the reclamation societies, on which we can lay blame for the consequences of the decline in the rate of reclamation and new farming?

Is it possible for these societies to operate under the umbrella of laws and bills which were set out to put every form of restriction in the way of their activities, not to speak of the relinquishment of land to be plundered by "the bedouin Mafia" and gangs "appropriating" land which the government has allocated to some society, and regarding which the society has no way to act other than bringing the matter before the judiciary, while it would have been possible for the administrative bodies to act to protect the government land allocated for those societies, though these societies reclaimed [just] 9,000 feddans over 4 years?

Can we imagine that the public sector companies operating in land reclamation and farming have reclaimed only 18,000 feddans from 1980 to the end of June 1983, as was stated in the plan followup report, that is, one third the area that the same companies had reclaimed in one of the years following the military setback of 1967?

Whose responsibility is all this? Is it the responsibility of the government, whose laws and bills conflict with one another? Is it the responsibility of the societies, with the adventurers they contain, or the appropriation gangs they are exposed to? Is it the responsibility of the absence of a single "control" over land reclamation policy, now that the Ministry of Reclamation has been abolished? This is the subject of this instalment.

We still import 50 percent of the Egyptian people's food from abroad, most importantly wheat, which accounts for 50 percent of our imports, then flour, meat, poultry, dairy products, canned goods, sugar, oil, fats and other commodities which make up our "food" deficit.

When translated into figures, that means that we import foodstuffs whose value exceeds 4 billion pounds a year, which is the size of the deficit in the country's balance of trade and is several times the annual balance of payments deficit. The meaning of this deficit is the drain of the country's foreign currency resources, which, were they available, would give the country tremendous ability to undertake ambitious development, in a manner which would exceed current capabilities several times over, above and beyond savings in interest and debt burdens. It is enough for us to realize that this figure, in 1 year, is equal to 20 percent of Egypt's accumulated debts!

Why should we rely on the outer world for this amount of food when we have land and water? If efforts are now being concentrated on increasing the output of the land, why shouldn't we turn our attention to the millions of feddans which we can add to the green area, new acreage which will give greater blessings and will save the country much? Why have people's "efforts" shied away from the reclamation and new planting of land, to the

point where that has "stopped," as if there was a shift away from this policy, to the point where we have seen that all the land that was reclaimed in the period from 1970 to 1982 does not exceed 102,000 feddans, 56,500 of which are the entire area of the al-Salihiyah project and the Youth Province, at a time when Egyptian experts in the sixties, in just 10 years, reclaimed 812,300 feddans, at a rate of 108,000 feddans a year, in the years of the first plan, and 55,000 feddans in the final 5 years, in spite of the circumstances of the military setback in 1967?

Egyptian expertise exists and is abundant. The land is looking for people to reclaim it. Water is available. What happened, and why this "setback" in the efforts of reclaiming and newly planting new land?

AL-MUSAWWAR went out to look for an answer to these questions and seek out the reasons. Last week, we presented a picture of the land reclamation societies which had been allocated land for reclamation but had used it for other purposes, and some societies which had stopped working altogether. In this series, strange "facts" stand out before us, facts which show that the government, which claims to be encouraging the policy of the reclamation and new planting of land, is the very government which has set out laws and bills that have sufficed to obstruct all efforts exerted on behalf of this essential national activity to remedy all the problems of the society, the economy and the future.

How so? This is the report.

Once upon a Time!

At the beginning, we jointly reviewed Egyptian efforts to reclaim land even before the 23 July 1952 revolution. The government had carried out reclamation activities through the State Properties Department, in addition to efforts of large landowners, and the average land reclaimed each year was about 2,500 feddans. When the 23 July revolution occurred, its leaders found that it was necessary, in order to cope with the population increase, that the area of cultivated land increase alongside the efforts to increase the crop area of the land cultivated. It set that out as a goal for itself, without waiting for the construction of the High Dam, which the leadership of the revolution was depending on to increase the area of the agricultural land.

A study by Dr Husni Hafiz 'Abd-al-Rahman, first deputy minister of agriculture and chairman of the Agriculture and Irrigation Section of the National Investment Bank, the "plan bank," stated that the leaders of the revolution, from the time they took power until 1959, could not reclaim more than 78,900 feddans for several reasons, most important of which was the shortage of domestic personnel and experts in this area. Of this figure, 25,000 feddans were named Liberation Province and 35,600 feddans were reclaimed by the Permanent Land Reclamation Authority; then there were 16,800 feddans which the Egyptian American Authority reclaimed. The costs of all this land came to just 29 million pounds.

The study pointed out that in this period the government did a classification study of Egyptian soil in all areas of the country, and the study,

which covered 14.5 million feddans, revealed the possibility of reclaiming and newly farming about 9 million new feddans, or the equivalent of one and a half times the area of the cultivated land, aside from tremendous additional areas in the Western Desert which have been found to be arable.

The First 5-Year Plan

Therefore, stated Dr Husni Hafiz, the government, in the first 5-year plan, 1961-65, set out a goal of reclaiming additional land; during the 5 years 536,300 feddans were reclaimed and newly planted, at a rate of 108,000 feddans per year, and the total costs came to 154.8 million pounds, of which 75.6 million were costs of reclamation and new farming, 52 million were for irrigation and drainage, 6.5 million were for facilities, roads and communications, and 2.8 million were for electricity. This land yielded an output at the last year of the plan, that is, the first year of production, of about 11 million pounds.

In the Time of the Setback

The study went on to state that in spite of the circumstances of the war in Yemen, then the circumstances of the military setback in 1967, the government continued its efforts at land reclamation, and in the period from 1966 to 1970 managed to reclaim new areas totalling 276,000 feddans, at a rate of 55,000 feddans a year, costing all in all about 176 million pounds, of which agricultural activity took 102 million, irrigation and drainage 45.1 million, while housing and utilities for the land cost 18.3 million pounds, transportation and communications 6.2 million pounds, and electricity 4 million. This land yielded up production worth 80.4 million pounds during the 5 years.

It should be mentioned and recorded here that the public sector companies are the ones who took charge of all these operations and generated capable technical expertise and personnel within themselves, above and beyond the machinery and equipment they came to possess.

The Setback in Reclamation

Dr Husni Hafiz' study addressed the reclamation activities from 1971 to 1978, when no more than 21,000 feddans were reclaimed, whose investment costs came to 227 million pounds. The area of reclamation activities from 1979 to 1982 came to 81,000 feddans, of which 56,500 were the entire area of al-Salihiyah; the rest remained to the public sector companies. The National Investment Bank provided these operations with financing of about 128.6 million pounds, although the contracts came to a total of 171 million pounds.

On the basis of investment costs, one can determine the costs of reclaiming, and newly planting a feddan.

In the 5 years of the first plan, the cost per feddan came to about 290 pounds.

In the last 5 years of the sixties, the cost per feddan came to about 640 pounds.

In the period from 1971-78, the cost per feddan came to about 10,800 pounds.

The cost of reclaiming and newly planting a feddan in the al-Salihiyah project came to about 4,000 pounds, because of the purchase of equipment in excess of the need of the area reclaimed, which was calculated at the expense of the project, on top of farming costs, which came to 1,000 per feddan and entered into the calculation of the total cost.

The costs of reclamation in public sector companies using modern irrigation methods (axial irrigation, sprinkler irrigation and drip irrigation) came to about 3,000 pounds on the average, aside from the costs of farming.

Why Is Reclamation Being Resisted?

At this point, the following question stands out:

Why did the volume of the land reclaimed drop to this frightening level? What are the reasons?

In recent years, there was a strong call for "self-sufficiency in food" projects. The talk at the official level was that everyone who could turn sand into ripe verdure should go to the desert. Companies were formed and cooperative societies for the reclamation and new farming of land were drawn up. Then suddenly everything was dropped. What happened? What caused all these people's enthusiasm to wilt?

That was the question asked of Mr 'Abd-al-Hadi al-'Isawi, chairman of the board of the Land Reclamation Fund and the person in charge of the land reclamation cooperative societies. The man replied:

"The Reconstruction and Agricultural Development Projects Authority, on the basis of the decree that established it, carries out infrastructure work in the development of new land, in the form of irrigation, drainage, electricity, public roads and so forth. Its allocations are listed in the authority's budget every year, and the government guarantees them. Law 143 for 1981 stipulates that if the authority disposes [of land] to some body, and this body sells it, it will recover the costs of the infrastructure from that body.

"As regards the disposition of reclaimed land, the Reclaimed Lands Fund was the only body which had the right to dispose of desert, fallow and reclaimed lands before Law 143 for 1981, that is, all the government land in accordance with Law 100 for 1964. When Law 143 for 1981 was issued, the jurisdiction over disposing of desert land for a distance of 2 kilometers outside the surveyed area was removed and consigned to the General Reconstruction and Agricultural Development Projects Authority. There are lands inside the surveyed area which the governorates reclaim, and these governorates take charge of managing those lands.

"Farmed land inside the surveyed area is the jurisdiction of the General Land Reform Authority.

The Flaws in the Latest Law

"Our emphasis is on the first point, the desert lands outside the surveyed areas. Law 143 for 1981 defined the surveyed area, by which it meant the limit of the land whose area was subjected to detailed survey, tabulated in the survey registers, and made subject to the real estate tax on properties.

"Article 12 of this law stipulates that in all cases the use of the land will be by rental over a period of 3 years. If seriousness in the reclamation and exploitation of the land is proved, the land will be deeded at its price before the reclamation and new planting, with the rents that were paid deducted, and, if seriousness is not proved, the rental contract will be considered to have been cancelled, there will be no need to take measures against the people who rented it, as a general rule, and disposition will be by open auction, except for disposition to some social classes which the law stipulates, that is, people discharged from the armed forces, the families of people killed in combat, people wounded in military operations, small farmers, graduates of faculties and institutes, and employees of the government and the public sector when they leave service or end it. Another case in which it is possible to rent or make disposition without an open auction concerns projects which are in the government's interests, according to their size or condition, on the basis of a recommendation presented by the board of directors of the authority.

"Therefore, disposition must as a general rule be by open auction, which means giving land to the person who is most able to pay, not to the one who is most able to reclaim and newly plant. That means that the law just concerns the class which is able to pay, and reflects a system which must be reviewed by the government."

Cooperative Societies and Another Problem

'Abd-al-Hadi al-'Isawi continued his talk about legal obstructions by saying:

"We come to another point, which is the agricultural cooperative societies. If they submit an application for land with the goal of reclaiming it, Law 122 regarding cooperatives stipulates, in its executive bill, that it is permissible to register a society only after agricultural land has been allocated to it. The word 'allocated' was removed from Law 143, which acknowledges disposition by sale at auction only.

"If a society intervenes with an application for land for reclamation, it is told 'You are not a society,' because no land has been allocated to it. Here the societies lie in a state of confusion between the Reconstruction Authority and the cooperative service sector, which carries out the provisions of Law 122 regarding cooperatives.

"The solution appeared in a decree by Eng Hasaballah al-Kafrawi, numbered 305 for 1983, amending the executive bill of the law in a manner that would allow the cooperative societies to be registered and acquire legal personality before the land is allocated to it. If the society is recorded and declares itself, it will have the right as an authority to come forward to purchase or rent, according to the rules stipulated in the law.

"The Land Reclamation Fund disposed of some lands before the issuance of Law 143, within the limits of Law 100 for 1964, which was in effect at the time of the disposition, on the basis of the decree which established it. Law 143 stipulated that the previous dispositions would be presented to the authority's board of directors, which would review the authorization of the previous dispositions, and the executive bill set out conditions for these previous authorizations. If the conditions cited are applied to cooperative societies, we will find that they do not apply to any of them, and consequently it is not possible to authorize previous dispositions by cooperative societies, even though some of them have paid off their financial commitments to the Reclamation Land Fund, and this embarrasses the societies' boards before their members. Therefore it is necessary to amend the executive bill of Law 143 in a manner which will allow the authority to complete the measures the fund started with the societies, so that the contracts may be concluded with these societies."

Litigation over Areas of Jurisdiction

He went on to say,

"A litigation arose between the Land Reform Authority and the Reclamation Lands Fund over who had priority to dispose of lands within the surveyed area. The Land Reform Authority based itself on a ruling issued by the general assembly of the Rulings and Legislations Sections of the Council of State, that it was the body that had this jurisdiction, while the fund insisted that it was the body with jurisdiction by virtue of the republican decree issued establishing it, which was reviewed when it was issued by the Council of State itself. As a result of this litigation, the Land Reform Authority notified the real estate notification bureaus that they should not carry out the registration of any dispositions issued or to be issued by the Land Reform Authority, and as a result of that the people who purchased from the fund, which is a government body, had contracts in hand which had been concluded with this fund which they could not register and declare in the real estate notification office. This caused citizens anxiety over their property and gave the fund embarrassment with the people it dealt with. It is a government body, and on top of that two government bodies appeared before the masses as litigants over areas of jurisdictions! Now, then could one blame people who had been dealt with before this ruling was issued, since the dealings took place in accordance with the provisions of a republican decree which had been reviewed by the Council of State itself? Moreover, the fund's jurisdiction in making dispositions in accordance with the republican decree is not cancelled by the ruling -- rather, it is cancelled by another republican decree, if the cancellation of the fund's jurisdiction in this regard is viewed as a general policy.

"As a result of the failure to register the contracts concluded, purchasers were not able to deal with the Agricultural Credit Bank and were not able to dispose of commodity requirements in the form of fertilizer and insecticides from that bank, and consequently arrange the necessary financing for reclamation. Contacts have been made with the ministers of agriculture and redevelopment on this matter but positive results have not yet been received from them, and the citizens are still in confusion over their affairs because they cannot record their properties. In addition, it is necessary to review the policy of sale by open auction, because we want to give land to people who are able to reclaim it, and not to people who are able to pay the price for it."

The Legal Counsellor's Opinion

Concerning this legal point, the counsellor 'Ali al-Khadim, deputy chairman of the Council of State and legal counsellor for land reclamation, replied,

"Experience in the reclamation of land through the cooperative societies has yielded up numerous negative features. The allocation of land to cooperative societies for reclamation has led some people in charge of these societies to speculate with their money, after the consummation of the 'allocation' of land had won them the confidence and trust of members of the societies, or the participants in them, although this jurisdiction did not in reality go beyond a promise to sell after the realization of numerous conditions which in most cases were not realized. Unfortunately, the analysis of land reclamation cooperative societies' previous work reveals that most of them had not done any work on reclaiming or newly planting the land, but to the contrary had just engaged in obtaining money from members, benefiting from revenues of investing that in administrative expenditures, or speculating in them as construction land. These problems were fully provided for by the legislators in the Desert Land Law 143 for 1981 and therefore this law, and its executive bill, abrogated the talk about 'giving permits,' making it mandatory that before the land was disposed of an investigation be made that all the conditions necessary for reclaiming it were met, first of course the presence of a permanent irrigation source, the fact that the land fell within a reclamation plan, and the agreement of the other bodies concerned with the disposition. The law also made it mandatory that the relationship of the societies, or others, to the government be one where they would rent the land for a period of 3 years, and if during that period seriousness was proved the government would deed the land to the serious reclainer.

"To organize the foregoing, while eliminating the notion of allocating land as a basis for establishing cooperative societies, in order to prevent the negative features which had been mentioned previously, it was considered proper, by way of experiment, as was the case with cooperative housing societies, that the executive bill of the Agricultural Cooperative Activity Law would be modified with respect to cooperative land reclamation societies so that the founders of the societies would deposit the sums the founders paid into the Agricultural and Cooperative Lending Bank, and that would be paid out only after the society was established and land was obtained with the purpose of reclaiming it within a period of time, after which the society would be dissolved if the land was not obtained in that period.

"This was to protect the members' money and guarantee that the society was serious in obtaining land for rent, so that if in the course of that the seriousness was established, the land would be deeded at its price before reclamation, in accordance with the law.

"Whatever the situation was, it was not a matter of obstacles or difficulties in the laws or bills so much as the need to investigate the seriousness of the cooperative societies and the people in charge of them, and their real desire to obtain the land with the purpose of reclaiming it and actually newly planting it, and not just holding onto it to auction it off or speculate in it, relying on the word 'granting of permission,' which had lost its significance.

"As for the situation governing the cooperative land reclamation societies now, the General Reconstruction and Agricultural Development Projects Authority, to which Law 143 for 1981 gave jurisdiction in this regard, by reviewing all the previous dispositions which took place in these societies, will authorize only sound dispositions to serious societies in the stipulation the law showed, which have proved to the investigators their seriousness in reclaiming the land in the period specified in accordance with the schedules. Unsound or illegal dispositions, or those which were made to societies that were not serious, will be abrogated, and the land will be taken back by administrative means in spite of what the law states."

150,000 Feddans a Year Are Needed

Dr Husni Hafiz, on the basis of the studies in his possession, considered "There is a pressing need for 150,000 reclaimed feddans a year at the minimum, and in addition care must be taken not to trespass against old lands. If that is not possible, we will be proceeding toward a near-drought, or at least terrible economic disruption.

"For this to happen, it will be necessary that we review the construction capability we have, and if it is not adequate, it will be necessary to provide this capability and recruit experts in land reclamation and farming."

Husni Hafiz opposed the process of distributing land to graduates, on grounds that that was a return to the "fragmentation" of the land and because graduates who suddenly find themselves owning wealth without effort will not have the necessary enthusiasm regarding the use of this land. Therefore, it is necessary to form agricultural federations and societies with substantial weight, while respecting individual ownership, and these federations and societies will have agricultural processing capabilities.

Dr Husni Hafiz defined the obstacles to land reclamation:

The lack of homogeneity among the laws, bills and decrees encouraging reclamation activities through personal initiative, and consequently the lack of clarity of reclamation policy.

After that comes the process where people shy away from putting money in reclamation projects because they need large investments, the turnover of

capital in them is slow, and their returns are low in comparison with other economic activities.

The lack of coordination between reclamation and the provision of the necessary operating facilities.

The policy of selling land at auction has brought land to people who have property and not people who are able to start new cultivation, and consequently it is used for other than agricultural purposes. It is necessary to eliminate the policy of selling by auction.

New land must be connected to animal and poultry resource, egg and dairy projects, which will give the people who own the land and the government a large return.

Right and Wrong Procedures in Al-Salihiyah

The agricultural engineer 'Abd-al-Wahid Muhammad 'Abd-al-Wahid, the deputy director general of the al-Salihiyah projects and the person in charge of technical affairs and planning for the project, spoke, talking about the project as an experiment which has actually been carried out:

"The idea began in 1981, covering an area of 56,500 feddans, to be broken down into two parts, al-Salihiyah, with 23,000 feddans, and the Youth [section], with 33,500 feddans. The investment costs of the project would be broken down as follows:

"The infrastructure: this is the plant owned by the various ministries which will be responsible for operating and supervising it in the future. It includes pump stations, main water transmission pipes, main roads, and major electricity lines covering an area of 56,500 feddans, for an average cost of 1,436 pounds per feddan.

"The nationwide structure: in view of the inavailability of electric power to meet the needs of the project, the power system, according to the government plan, will not be completed in less than 8 years.

"New gas plants have been erected to generate the necessary electric power; the costs per feddan come to about 360 pounds.

"Reclamation and initial plantings: this includes branch systems, irrigation and farming equipment, packaging, and the costs of initial planting. Per-feddan costs came to 2,000 pounds, which have been borrowed from Egyptian banks. The reclaimers, the owners of the land, will pay this loan back in 10 years.

"Initial planting actually started in 1982, and the revenues from the 1982-83 winter cycle were 7 million pounds. In spite of that, we have not reached the productive limits of the al-Salihiyah project; according to the feasibility study, it was supposed to reach those limits after 3 years of farming, when revenues would equal costs. However, it would have been possible, last year, for us to reach the point where revenues from the crops and fruit were

equal, but the delay in reaching the productive limit kept on beyond the third year. The volume of spending on the cultivation of trees and services was not matched by revenues."

He then talked about the projects that complemented this one: "In the field of livestock production, there is a project to establish 20 dairy plants with a capacity of 1,250 head each. A single plant will cost 6.8 million pounds and will give about 7,000 tons of milk in addition to 19,000 tons of meat. Each plant will cover its costs 4 years after it starts operating. In addition, there is the project for a feedlot for 100,000 head a year, in two cycles. There is now a feedlot for 10,000 head, which are all being delivered to the Ministry of Supply, and there is also a third project for poultry to produce 360 million eggs a year, which has reached a level of 95 million eggs per year so far, in addition to the production of 15 million chickens. This is on top of the fourth agricultural and dairy product processing project."

As a result of experience, 'Abd-al-Wahid Muhammad 'Abd-al-Wahid considered that there are severe obstacles to reclamation activities, among them the shortage of trained manpower, and, more serious, a lack of encouragement of individual initiative. In order for a citizen to receive desert land he needs the agreement of the minister of defense, the minister of the interior, the minister of agriculture, the minister of reclamation, the Antiquities Authority and the governorate to which the land belongs!

All of these agreements take several months at least. Another obstacle, as well, is the failure to connect essential facilities, which ultimately obstructs the initial planting and production process."

Finally:

After this definition of the problems facing the desert land reclamation process and the obstacles which the agencies put up before every initiative, couldn't one say that it is necessary to reinstate the Ministry of Land Reclamation and have a minister in it who is available full time to take charge of reviewing the contradictions in the bills and laws and liberate all the forces that are able to reclaim and start planting, for the sake of the future of all of us?

Dr Yusuf Wali, Minister of Agriculture: Yes, There Are Defects in the Law and These Unquestionably Affect the Reclamation of Land; A New Law on the Way Will Remedy Them

We must realize most clearly and frankly that there are flaws in the existing law, and this has prompted people to appropriate government property. If the situation is discovered, the government gets the land back, with the installations on it. This causes some people to appropriate fallow land, just appropriate it, but they do not reclaim it or start planting on it, out of the fear that it will be taken back and they will face grievous losses. Therefore, there has been hesitation and an aversion toward land reclamation.

That is the case with Law 100 for 1964, which was amended three times, in 1967, 1969 and 1974. However, the amendments to the law did not eliminate all the loopholes which appeared in actual practice, through application, which makes it necessary that the law and its amendments be reviewed so that clear rules can be set out regarding dealings with government property in the case of tenants, purchasers or people to whom land has been distributed, and the status of the people who have "committed appropriations" can be rationalized.

Therefore, a draft law was prepared which is now being discussed in the Council of Ministers and will be presented to the People's Assembly at the start of its session, to tighten government control and regulate dealings in the case of lands it owns. This will include special provisions on government properties lying within the lands which enter into the surveyed areas, up to a distance of 2 kilometers outside the surveyed area, since Law 134 for 1981 dealt with the provisions on land outside the "surveyed area," which are known as desert lands.

The new draft law has dealt with the phenomenon of trespassing on government properties, in a manner which will guarantee that these lands are protected and that appropriation is regularized in the case of persons who have appropriated land, determining that the procedures to be taken with respect to them over a specific period will take the form of requesting the rental or the purchase of these areas. The law also deals most clearly with the rental and disposition of government agricultural lands and the limits of the measures needed for them and addresses itself to the appraisal of land prices and rentals and measures and conditions for renting out and disposing of fallow lands, as well as appraising the value of compensations for people owning land submerged by the Nile.

This all has the goal of making matters easy for citizens, as well as covering the government's rights with the objective of eliminating the phenomenon of trespassing and encouraging individuals to reclaim and start farming on a basis where the land will be disposed of to them at its price when it was fallow, while deducting the price of the rent they paid from the appraised price.

The draft of the new law requires that the land be taken back by administrative means in the event the tenant or purchaser does not carry out the reclamation.

The law has considered that it is lawful to assign fallow land to local government units if they so request.

Mr Nasri Wahbah, the deputy minister of agriculture for legal affairs, has stated that the draft law also covers the regulation of the policy for lending and financing individuals and cooperative societies, whether tenants or purchasers of fallow land, in accordance with the provisions which appear in Law 143 for 1981 regarding desert lands. The law also specifies that small peasants and graduates of agricultural institutes are to be encouraged by means of the special rules, as well as the instalment payment of the amounts left over when the specific period ends.

Nasri Wahbah has also pointed out that the new draft law has had the goal of setting out general rules and principles, while leaving details to the executive committee, so that if loopholes or flaws appear in application it will be possible to deal with them through the amendments in the bill, on the basis of a ministerial decree, and there will be no need for amendments to the law.

11887

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FOREIGN STUDENT ENROLLMENT IN UNIVERSITIES

London AL-SHARQ AL-AWSAT in Arabic 26 Sep 83 p 3

[Article: "Arab Students To Be Admitted to Egyptian Universities Next October 1; All Palestinian Students and 3,500 West Bank Residents To Be Admitted; Minimum Percentage Points for Admission to Colleges of Medicine, Engineering Are 85 Percent and 78 Percent, Respectively"]

[Text] It has been decided that as of next October 1 institutions of higher learning are to begin accepting the applications of students coming from Arab countries who wish to enroll in Egyptian universities. The applications of those students will be taken until the end of October. These applications may be submitted by the embassies of the students' countries or by the offices that look after the affairs of those countries in Cairo. As far as the applicants are concerned, they will be admitted to about 250 university colleges and institutes. Minimum requirements for admission to each college will be determined in the light of the admissions policy for Egyptian students.

Dr 'Abd-al-Majid al-Sayyid, undersecretary of the Ministry of Higher Education for cultural relations stated that a student who wished to apply for admission to one of the Egyptian universities will have to submit a certificate showing he [completed and] passed secondary school. That certificate must be certified by the embassy of his country in Cairo. He must also submit an application form, a test card, a data form, another form for information and a certified affidavit that he will be a full-time student and that he will not become engaged in any other activity in Egypt.

Dr 'Izzat Khayri, secretary general of the Supreme Council of Egyptian Universities said, "Every year universities in Egypt admit all the Palestinian students in particular who apply for admission. The number of Palestinian students is about 9,000: 5,665 are undergraduates; 1,130 are from the Gaza Strip; and 400 graduate students. There are also about 5,000 students in Egyptian universities from the Kingdom of Saudi Arabia, and 3,500 students from Jordan and the West Bank."

Rules for Admission

It has been decided that rules for admitting students coming from Arab countries be based on meeting the minimum [requirements] for admission to universities in Egypt that year. This year the grade required for admission is about 85 percent

for colleges of medicine; 78 percent for colleges of engineering, economics, political science and communications; and less than that in the remaining colleges.

Regarding the diplomas students must have to be eligible for admission to Egyptian universities, it was decided to consider a student who has a general secondary school certificate granted by the Ministry of Education in each Arab country a certificate of eligibility for admission to Egyptian universities. The remaining diplomas which would make students eligible for admission to Egyptian universities were determined on [the following] basis: in Jordan the Bayt Hanina Rural Teachers' Certificate would be accepted for admission to colleges of education; the new secondary school certificate would be considered equivalent to the Egyptian secondary school certificate; a secondary school certificate granted by the humanities and business departments of secondary schools in Jordan would be considered equivalent to a business secondary school certificate [in Egypt]; an industrial secondary school certificate would be accepted for admission to colleges of technology; an agricultural vocational certificate would be accepted for admission to colleges of agriculture; an intermediate diploma in social service would be accepted for admission to the second year at graduate institutes of social service. As far as Iraqi certificates are concerned, the Iraqi diploma is considered equivalent to a secondary school certificate [in Egypt]. Students who hold various technical diplomas would be eligible for admission to colleges of technology, agriculture and education, in accordance with their major areas of study. A Syrian diploma [granted by government schools] makes students eligible for admission to all Egyptian colleges. Students who have technical, industrial, agricultural, business and physical education diplomas are considered eligible for admission to colleges of engineering, agriculture, business and physical education.

As far as the Kingdom of Saudi Arabia is concerned, a Saudi secondary school certificate is just like an Egyptian secondary school certificate: it makes a student eligible for admission to all colleges. The certificate awarded by the Saudi Institute of Learning makes students eligible for admission to the College of Dar al-'Ulum [Learning] and the Arabic language departments at the colleges of arts. A diploma from the Teachers' Institute of Art Education in Riyadh makes students eligible for admission to colleges of art education, provided their final grade is at least 70 percent. A diploma from the Teachers' Institute of Physical Education in Riyadh is thought to make students eligible for admission to colleges of physical education. A certificate from Dar al-Tawhid in Saudi Arabia is considered to make a student eligible for admission to colleges of economics, communications, business, arts, Dar al-'Ulum, law and education. The same rules apply to students who have diplomas from other countries.

Required Tuition and Fees

Mr Fawzi 'Abd-al-Zahir, the first undersecretary of the Ministry of Higher Education in Egypt said, "It's been decided that tuition and school fees for regular [full-time] students coming from Arab countries are to be determined on [the following] basis: registration fees will be 400 pounds sterling for the colleges of medicine, dentistry, pharmacy, engineering, economics and political science; registration fees for the remaining colleges will be 200 pounds sterling. These fees will be paid one time only when a student registers. Annual fees, however, will be 200 pounds sterling for the colleges of medicine, dentistry, pharmacy,

engineering, economics and political science; and they will be 100 pounds for the remaining colleges.

Registration fees for extension students will be 200 pounds sterling each, and annual fees will be 50 pounds sterling. Both regular [full-time] and extension students will pay an examination fee of 5 pounds sterling for each examination with a maximum of 50 pounds sterling per academic year.

Dr Hasan Hamdi, president of Cairo University stated that a decision had been made to have the universities set up offices for receiving incoming students after registration measures for them are completed at the colleges of the universities. These offices would help students find housing on campus; they would obtain residence permits for the students in Egypt; they would keep an eye on their academic status; and they would prepare for them cultural programs, trips and educational tours to enable them to become familiar with Egypt's landmarks.

8592

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RELIGIOUS, LEGAL SCHOLARS COMMENT ON EMERGENCY LAW

Cairo AL-NUR in Arabic 28 Sep 83 p 4

[Article by 'Ali 'Abd-al-Rahman: "Religious Scholars, Thinkers and Legal Scholars Reject Emergency Law, Uphold Islamic Law"]

[Text] Fathi Radwan says, "The Emergency Law affects Egypt's leadership of the Islamic world because it restrains Egypt's freedom."

Al-Shaykh Muhammad al-Ghazali says, "Applying Islamic law is quite advantageous; common law is better than the Emergency Law."

Al-Shaykh Salah Abu Isma'il says, "The application of Islamic law is being impeded while the Emergency Law is being applied to advocates of Islam and to young Muslims."

In the history of the Islamic nation, from the dawn of Muhammad's mission until the appearance of European colonialism, Muslims never knew that innovation which is called an Emergency Law. An emergency law gives a ruler the right to confiscate the freedom of God's worshippers. It gives him the right to spy on them, to imprison them, to torture them, to violate that which they hold sacred, to terrorize them and to make their families homeless.

Ever since the appearance of this innovation was imported from foreigners, neither rulers nor their subjects have known the security and peace that they knew under the Islamic system. Throughout the centuries in which an Islamic system had reigned an atmosphere of justice and tranquillity had prevailed. People felt that their property, their honor and their liberties were safe. Islam swept the corners of the world and achieved for humanity those golden ages about which Greek philosophers had often dreamed.

In this report legal scholars, scholars of Islamic canonical law and religious scholars speak out on the positive Emergency Law and on the proper alternative to it. To them, that alternative is an Islamic system of government that is compatible with the course of God the Most Wise.

Leadership of the Islamic World Is Restrictive

Mr Fathi Radwan, a leading member of the Egyptian opposition said, "The mere proclamation of an emergency law stirs up feelings of alarm and anxiety in citizens'

hearts. This is because an emergency law gives policemen the right to arrest any citizen without inquiring into his identity. It gives policemen the right to arrest any citizen because they suspect he may have committed a crime. The state is supposed to try not to restrict citizens' freedom."

Mr Fathi Radwan added, "I was opposed to the idea of having handcuffs placed in the offices of police commissioners at police stations because they are a symbol of shackles, terrorism and oppression. They also make citizens fear the government."

"The application of the Emergency Law and the proclamation of martial law in Egypt without due cause will have an effect on Egypt's leadership of the Islamic world. This is because application of the Emergency Law in Egypt would give the impression that the leader of the Islamic world is bound by restrictions and that freedom of opinion is restricted. Application of the Emergency Law would also increase the pain felt by the Islamic nation over the Egyptian government's delay in keeping its promise to enact laws that would lead to the direct application of Islamic law and the repeal of positive laws that are now in effect. The Islamic world may think that a return to martial law may be intended to alarm and frighten advocates of the application of the canonical law of Islam. This too does not serve Egypt's interests. It would be quite advantageous for the government to repeal martial law and make common law prevail. Common law can ward off assailants, and it can deter those who provoke disturbances."

Mr Fathi Radwan went on to explain, "Islam set general rules for security [to ensure] the security and safety of society. In Islam punishment for advocates of dissension is specified in the Koran. God Almighty said, "Those that make war against Allah and His apostle and spread disorders in the land shall be put to death or crucified or have their hands and feet cut off on alternate sides, or be banished from the country. They shall be held to shame in this world and sternly punished in the next" [al-Ma'idah: 33-34].

There is no law harsher than this punishment. The canonical law of Islam does not help people rebel against the prevailing government in the state as long as that government is just. In Islam there is neither chaos nor terror. One of the foremost and greatest responsibilities of a ruler is that of looking after the interests of Muslims. A ruler is accountable to God Almighty on Judgment Day for that.

The Canonical Law of Islam Is Quite Advantageous

His Eminence al-Shaykh Muhammad al-Ghazali, the advocate of Islam, affirms that common law is better than the Emergency Law. "Our people are known to be kind-hearted and serene people. The application of Islamic law would be quite advantageous to us in Egypt and to all Muslims in all the countries of the east and the west."

For Whom Is the Emergency Law?

His Eminence al-Shaykh Salah Abu Isma'il asked [this question], "For whom is the Emergency Law?"

He proceeded to answer his own question and said, "A Muslim believer does not initiate aggression. When attacked, he is called upon to act with justice and graciousness. Justice is manifested in what God Almighty said: 'If you punish, let your punishment be proportionate to the wrong that has been done you' [al-Nahl: 126]. Graciousness is manifested in God Almighty's statement, 'But it shall be best for you to endure your wrongs with patience' [al-Nahl: 126].

"But graciousness does not stop there. Furthermore, the Holy Koran exhorts us to be charitable to those who wrong us. God Almighty said, 'Good and evil deeds are not alike. Requite evil with good, and he who is your enemy will become your dearest friend' [Fusillat: 34].

"Consequently, Muslims who understand their faith cannot be a threat to peace. Believers who understand their religion can never engage in terrorist practices. Islamic canonical law has set guarantees to ensure security in society. These guarantees are eight."

Eight Guarantees for Security

"First, justice is the foundation of power, and faith follows justice. We Muslims are commanded by our religion to exercise justice among our children even in the simplest of matters such as kissing them. We are also commanded to be fair to ourselves and to others. The Prophet, may God bless him and grant him salvation, said, 'You have an obligation to your body; you have an obligation to your spouse; you have an obligation to your guest; and you have an obligation to your Lord. Give everyone his due.' Thus, justice is a preliminary guarantee for security and peace.

"Second, in Islam punishment for dissension is specified in the Koran to deter corruption and to ensure the safety of public roads. God Almighty said, 'Those that make war against Allah and His apostle and spread disorders in the land shall be put to death or crucified or have their hands and feet cut off on alternate sides, or be banished from the country. They shall be held to shame in this world and sternly punished in the next' [al-Ma'idah: 33-34].

"Third, punishment for theft is specified in the Koran so that property can be secure. God Almighty said, 'As for the man or woman who is guilty of theft, cut off their hands to punish them for their crimes' [al-Ma'idah: 38].

"Fourth, minds are to be protected from what may corrupt them. Therefore, there is a punishment specified for drinking alcohol.

"Fifth, progeny is to be protected from aggression. Therefore, punishment for adultery is mandatory.

"Sixth, reputations are to be protected from harm or disparagement; therefore punishment for libel is mandatory.

"Seventh, beliefs are to be protected against those who would attack them, whether that attack is foreign or domestic. Therefore, punishment for apostasy is mandatory.

"Eighth, about punishment for retaliation God Almighty said, 'Men of understanding! In retaliation you have a safeguard for your lives; perchance you will guard yourselves against evil' [al-Baqarah: 187]."

His Eminence al-Shaykh Salah Abu Isma'il explained that security has always been a product of faith. God Almighty said, "Those that have faith and do not taint their faith with wrongdoing shall surely earn salvation, for they follow the right path" [al-An'am: 81].

Security prevails in this life and in the hereafter. Feeling safe is one of the characteristics of happiness. God Almighty promises believers who adhere to the true faith and to His canonical law security on the Day of Resurrection. God Almighty said, "The Supreme Terror shall not grieve them, and the angels will receive them, saying: 'This is the day you have been promised.'" [al-Anbiya' 103].

Looking sad and dejected al-Shaykh Salah went on to say, "Unfortunately, I think our society has wasted those eight guarantees. Where are the mandatory punishments for adultery, for drinking alcohol and for theft? Our society is unfortunately impeding the application of these mandatory punishments, and it is applying the Emergency Law to advocates of Islam and to young Muslims. Our society continues to shut down Islamic magazines even though partisan newspapers have resumed publication. Although Islamic magazines have won two court rulings to resume publication, officials in the Ministry of the Interior who are responsible for implementation of the court decision are given the right by the Emergency Law to continue enforcing the ban on the publication of Islamic magazines.

"In this situation our society has forgotten God, so God made society forget itself. Those who are enjoying freedom now are those who buy and sell alcoholic beverages, proprietors of nightclubs and [advocates of] nudity and unveiled women. This is something that can be seen in the media and in movie theaters which show immoral movies that destroy our Islamic traditions. But freedom of Islamic thought and freedom for the advocates of Islam is still restricted. The simplest example of that is that those imams who were taken into custody in the September events have not been permitted to go back to their mosques."

Dr Najib 'Imarah, professor of Islamic leadership in the College of the Principles of Religion said, "Security in Islamic countries can only be achieved by the application of the canonical law of Islam because it is the only solution by which security and peace for the ruler and for the subjects can be achieved. I regard the Emergency Law a natural reaction of a ruler who wants security for himself and of a subject who hopes for security through positive law. The desire for security is inherent in all creatures, even in animals."

Dr 'Imarah calls attention to the fact that security in Islamic countries can only be achieved by applying the canonical law of Islam. [He said that security would not be achieved] if the Emergency Law were to be repealed because the other positive laws that are on the books are no different. They do not prevent dissolution and libertinism.

Dr Muhammad Shamah, chairman of the Department of Exhortation at the Colleges of the Principles of Religion asked, "How can Islam give people the freedom to speak and to think while we deny that freedom to citizens?"

Dr Shamah also said, "If Islam gave people the right to speak about matters of the faith, it stands to reason that they must have freedom to speak about other matters, within the limits set by the canonical law of Islam."

Individual Freedom and Faith

Justice Muhammad Kamal Faraj affirmed that Islam rejects emergency laws. He said, "God Almighty said, 'Therefore let them worship the Lord of this House who fed them in the days of famine and shielded them from all perils' [Quraysh: 3-4]. God Almighty prescribed security and equanimity when He made individual freedom the highest object of worshipping one God. Worshipping one God is the foundation of religion. God Almighty prescribed that feeding the hungry and securing people from fear were conditions of faith. No one disagrees about the fact that humanity is based on a foundation of security and peace.

"Therefore, the assumption that power belongs solely to God is the means for protecting [society] from the corruption of a ruler who is human. Humans are not infallible. Therefore, the rules of God have prescribed limits, remedies, redemption and protection for everything, and this is done by declaration, illustration and elaborate exposition. God's rules, which are revealed in the Holy Koran are not biased for any sect; they rather rule over all people. The only alternative to an emergency law in Islam is that a ruler and the subjects yield to the One and Only Almighty God."

Advantages of an Islamic System

Mr 'Abdallah Salim, an attorney, explained in detail the advantages of an Islamic system of government. He said, "Islam is the system that has the most respect for individual freedom. This is evident in the divine statement, 'There shall be no compulsion in religion' [al-Baqarah: 256]. God Almighty also said, 'Would you then force faith upon men?' [Yunis: 99]. In Islam an individual's freedom is inviolable, provided that as a result of this freedom he does not act in a manner that would disrupt the security of society or affect the entity of the state. If an individual were to engage in such violations, the penalty for that is clear and evident. Islam does not know the so-called Emergency Law."

Individual Freedom Is Protected by Islam

Mr 'Abdallah Salim pointed out that Islamic law provides details regarding the rights of individuals and the rights of society. "Islamic law also indicated in detail the established penalties [for certain crimes], and these need no support from an emergency measure or a suspect law. There are indications in Islamic history that a ruler may not violate the rights of individuals. The biggest example of that is the story of our Lord 'Umar ibn al-Khattab who in checking on the affairs of his subjects eavesdropped at one of the homes. He found out that the owner of the house was drinking alcoholic beverages. The Prince of the Faithful entered the house without asking the owner's permission and caught the owner drinking alcohol. The owner of the house stood up and reproached 'Umar ibn al-Khattab by telling him, 'If I sinned by drinking alcohol, you, the Prince of the Faithful, committed two sins. First, you spied on me, and that is forbidden. God Almighty said, "Do not spy on one another" [al-Hujurat: 12]. The second sin you committed is that you entered a home without the permission of its owner. This too is forbidden in the law. God Almighty said, "Believers, do not enter the dwellings of other men until you have asked their owners' permission and wished them peace" [al-Nur: 27].' When 'Umar, the just imam, found that what the man had stated was consistent with the Koran and the Tradition of the Prophet, he changed his mind about his position. He was persuaded by the man's argument,

and he left the man and departed. Islam does not give a ruler the authority to spy on people and to break into their homes without permission. Islam punishes violators if the violation they committed is plain and obvious. In applying punishment Islam needs no illegal measures, nor does it need to resort to emergency measures among citizens. This is because the history of Islam and the principles of government [in Islam] did not know this so-called emergency law, which is rather an innovation which came to us from non-Islamic countries that do not know the enlightenment of Islam. It is only in the light of Islam that security and peace can be realized."

Mr 'Abdallah Salim, an attorney, affirms that it is the opinion of Islam that power is an ordeal imposed by God on a ruler. It is not as some people think [a position of] superiority and distinction. Rulers thus believe that an emergency law would keep them in power even though it is justice that is the foundation of government, not martial law. If a ruler were to get to his position in accordance with Islamic rules, Muslims would have much affection for him. Friendliness would prevail, and understanding between the ruler and his subjects would become universal. There would be no need for a law such as the emergency law.

Finally, Mr Salih 'Ashmawi, editor-in-chief of AL-DA'WAH Magazine--publication of that magazine is suspended--said, "The Emergency Law is hurting Egypt economically and politically. It is arousing anxiety and suspicion in citizens' hearts. Extending the law for another year means depriving citizens of the personal liberties determined for them by the constitution and prescribed by the magnanimous canonical law of Islam."

Mr Salih 'Ashmawi reiterated the statement that an Islamic system would be the sound alternative to all positive laws including the Emergency Law.

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EDITORIAL ON POOR VOTER TURNOUT FOR SHURA COUNCIL ELECTIONS

Cairo AL-MUSAWWAR in Arabic No 3079, 14 Oct 83 pp 4, 5

[Editorial by Makram Muhammad Ahmad: "Lessons Learned from the Shura Council Elections"]

[Text] Why was voter turnout for the recent Shura Council elections so low? Such a low turnout cannot be overlooked. Voter turnout was particularly low in some urban precincts where it did not exceed 10 percent of all registered voters.

Why wasn't the National Party able to achieve a larger majority than that embarrassing 51 percent majority that was declared?

The National Party is now being called upon to provide a candid and an objective reply to that question. The National Party must consider in all earnestness the significance of what happened recently in the Shura Council elections.

One of the reasons why popular turnout for the council elections was less than enthusiastic may be the fact that the function of the Shura Council is not clear to people or the inability of the council to influence the course of affairs because of the advisory role with which it has been charged. This lack of enthusiasm was quite evident at most urban centers and districts where the turnout was less than 10 percent of all registered voters. In only a few locations was the turnout about 27 percent.

It is evident that the function of the Shura Council within the current political framework has not elevated it to become a second legislative assembly as was the case with the council of an elite that included the wise or the best of elders. That council served as a legislative safety valve in the face of possibilities that a council of representatives may become inclined to enact laws that are favorable to the interests of constituents at the expense of higher national interests.

At the present time the function of a legislative assembly is restricted to the right to debate the fundamental laws of society. The assembly does not have the right to object to those laws or to veto them because according to the constitution all the legislative powers are vested in the People's Assembly which, in addition to exercising those powers, determines public policy, the basic plan for development and the state's general budget. By virtue of its constitutional mandate the People's Assembly monitors the activities of the executive authority.

But the Shura Council does not have any or some of these functions; nor does it have functions similar to those of the People's Assembly.

It is also obvious that by virtue of its present status, the council has been nothing more than an open forum for a free discussion of society's issues. Neither the administration nor the government is bound by the recommendations issued by the council; neither has to apply these recommendations.

Herein the role of the council may have been more like that of the specialized national councils, whose cumulative experiences enabled them to play that advisory role with greater competence, each council in its own discipline. Due to their makeup, these councils were able to give advice, particularly with regard to the technical context of problems. It was assumed that the Shura Council would play that advisory role: it would provide advice not only in the context of technical problems, but also in a general political context, in view of the fact that it was to be an assembly of all opinions and tendencies [in the country] because it would be an Egyptian family council.

It is also evident that the nature of the relationship between the executive authority, as represented by government, and the legislative authority, as represented by the People's Assembly alone, has given members of the People's Assembly excellent access to government circles. This has given them an opportunity to offer services to their constituents. Members of the Shura Council pale [by comparison] in the eyes of their constituents who saw that council's function as nothing more than one of moral prestige for the council member himself. Serving on the Shura Council was perhaps some kind of personal reward conferred on a person who had not been fortunate enough to get his party's nomination in the elections for the People's Assembly.

In all fairness, however, it must be said that despite the limited role with which the Shura Council was charged, it gave considerable attention in the debates that were held during its last session to studying an important number of questions vital to society. At the end of those debates the council issued excellent reports on the problems of housing, sanitation, local government and production. The council also issued reports on manpower training policies. But the question that was always being asked was this: and then what?

It may be this limited role of the Shura Council and it may be the public's lack of a clear view of the function of its members that caused the public to have little enthusiasm for the recent elections.

However, in some precincts the situation was such that not looking seriously into the remaining reasons for the poor voter turnout would be inexcusable, particularly since voter turnout in some precincts was less than one percent. That was what happened in the precinct of Rawd al-Faraj where voter turnout was 0.6 percent. In other precincts voter turnout was under 10 percent. That was what happened in the precincts of al-Nuzhah, al-Zaytun and al-Matariyah; this is what happened in the district capital, Damanhur; this is what happened in the precinct of al-Duqqi. Yes, voter turnout was higher in the villages and provinces. It was that which raised voter turnout for the republic to 51 percent. However, this is not enough justification to make us stop wondering; nor is that enough to make the National Party stop asking itself what other reasons and justifications are

there that led the public to lose interest in these elections? What other reasons are there outside the fact that the function of the Shura Council is not clear in the minds of voters?

Another reason for the lack of enthusiasm for this election may be the fact that the election took place in the wake of a vicious campaign that was led by factions of the opposition to the National Party. The aim of that campaign was to cast doubts on the party's ability to represent the vast majority of the Egyptian people properly. The campaign focused on the party's figures and leaders, from the secretary general to the secretaries of the party in the governorates. All kinds of provocation and scare tactics were used in that campaign.

And here one must not try to be affable; nor must one try to mince words. The party did in fact fail to mobilize the voters, particularly in city precincts, in the districts and in numerous capitals of the governorates. In Damietta voter turnout was 20.4 percent; in al-Gharbiyah it was 31 percent; in Alexandria it was 27.4 percent; and in Cairo it was 23.5 percent.

But the party had to do otherwise, not only to affirm its legitimate authority to represent the Egyptian public broadly, but also to prove that at least that public which it represents, if it does exist, favors the choices it adopted in the elections of the Shura Council, particularly that of the absolute list.

We will not mince words, but perhaps it would be helpful now to ask the question openly.

Is the party relishing its dependence on the administration that it is no longer able to establish its popularity in the wake of the administration's current neutrality and in the wake of the political leaders' insistence that the election process be above reproach?

The party was under the impression that it could rally at least 70 percent of the public to turn out for these elections. But the voter turnout dropped to a minimum for an absolute majority. Voter turnout was only one percent over that which would have required the election to be held over again. One wonders what kind of a surprise it would have been if the party--the only party on the scene--would have had to repeat the election because voter turnout throughout the republic was less than an absolute majority! The question is a legitimate question because the party actually came very close to facing that problem.

If the party has not relished its old reliance on the administration, was the reason for its failure to establish its popularity due to the feeling that it had no competition? Was that why the party failed to make even the minimum effort that was required of it to prove to everyone that the opposition's attempts to cast doubts on its popularity were mistaken?

The situation here resembles the tale of the hare and the turtle which we heard in school. We were told that story when we were children so we could learn from it the danger of negligence, of a lack of earnestness and of overconfidence.

It is no secret that many people did not believe that political leaders had insisted on the administration's neutrality in the elections, even though the National Party had no competition on the scene.

It is no secret that a number of security officials in the governorates believed that instructions issued to the police to observe neutrality [in the election] were merely instructions for local consumption. The question they continued to ask until the morning of election day was this: "Do you really want an election that is above reproach?" And the answer to that question was affirmative. They were told that anyone tampering with attendance rosters would be questioned officially.

It is [also] no secret that a number of polling station staffers did not believe any of these instructions, and they filled in attendance rosters at 120 polling stations where the ballots were [subsequently] cancelled and the staff turned over to legal questioning. Those staff members were not forced to do what they did, but this was something they had been accustomed to do in previous elections.

It is no secret that the prosecution is looking into a number of cases now. It was the administration that reported the violations of polling stations staffers.

The simplest conclusions we might be inclined to draw now on the basis of what happened in the Shura Council elections are that neither the National Party nor the opposition has so far been able to get through to what may be called the silent majority. That silent majority remains bewildered between a large party that does not wish to test its activity in the political mainstream and is relying on its parliamentary majority, and the opposition parties which have not yet come of age and which can do no more than provoke and employ scare tactics.

Some people may try to make light of the significance of what happened recently, and some upstart philosophers may come out with assertions that the problem of voter turnout has now become a universal problem and that it is of concern to all those who are interested in the destiny of democracy all over the world. Voter turnout for the U.S. presidential election did not exceed 60 percent of all the registered voters in the United States. All the regimes suffer from the fact that individuals do not vote because of the increased pressures [placed on them by] the burdens of economic life.

Some people may try to close their eyes completely to what happened because the National Party still has a vast majority which is supported by 51 percent of all the voters in the republic who did vote.

But no one can go along with that logic for a simple reason that was made evident by the alarming imbalance in the voter turnout. In some precincts voter turnout was as low as 0.6 percent of all voters. There are other more serious reasons why no one can go along with this logic.

First of all, Egypt is now living in a climate of truth. It was President Mubarak's insistence on integrity, purity and candor that made the climate of being honest with oneself pervasive. Such a climate is the only way this gap between government and the masses can be bridged. That gap had developed as a result of the lack of actual and real involvement from the people for almost 30 years. This lack of involvement instilled in the hearts of Egyptians a feeling that their participation was not being sought and that their opinions were not required. We must look for the reasons for this lack of involvement and the justifications for it even if that requires painful candor with the ruling party.

Even though this is the government of the National Party, here we can only thank the government for the courage it demonstrated in declaring the figures.

It's a good thing that the government chose candor and chose to declare the facts.

It's a good thing that the government chose to preserve the confidence of the Egyptian citizen over covering up the failure of the National Party. This gives us hope for a more flourishing democratic future.

The second reason [for not putting too much confidence in the National Party's majority] is the fact that Egypt is now facing enormous challenges that the government cannot overcome by itself unless its efforts are backed by the enthusiasm and involvement of individuals. This is because ultimately enormous problems such as those that have to do with development, family planning, a clean environment and the proper performance of the government machinery, etc. require the enthusiasm and the convictions of individual Egyptians. Such problems require that an Egyptian's sense of affiliation with the homeland be firmly established. That can only come about through involvement. Hence, the fact that voter participation in the last election was what it was is something for us to worry about.

Why have people lost their enthusiasm?

This is the question that the National Party and its secretariat general must ask quite candidly without any emotions or pre-conceived attitudes.

The fact that I am a member of the National Party compels me now to give a candid opinion, now that the time has come to talk about lessons to be learned.

The first lesson to be learned is that the National Party is to put an end to its hesitation to react to the failure of some of its leaders.

Before the recent election for the Shura Council the party was somewhat hesitant in its reaction to some of the urgent demands for change that were being made. Its logic at that time was that the party could not risk having new faces who would come onto the scene at the expense of the party's veteran members who were more knowledgeable about the elections game and whose ability to attract votes was greater.

And now is the party still hesitant because those who held the key to the election realized that tremendous measure of success that was evident in the voter turnout? And where would they be, those who [were thought to] hold the key to the election, if they had not relied in the past on the bias of the administration? How much actual clout would they have in a climate wherein the soundness of the election process has become a choice that we cannot turn our backs on?

On the other side the opposition may now be regretting the fact that it did not risk running in the election despite the absolute list. It is obvious that the opposition did have an opportunity to make a fundamental gain if it actually had the popularity it claimed to have.

Or perhaps the opposition is thankful that it managed to escape a true test of its actual ability and its real magnitude.

Regardless of all this, what is obvious and certain is that the recent elections have also affirmed the urgent need for reconsidering the matter of absolute lists. I do not doubt the fact that the National Party would have received a greater percentage of the vote of those who did vote, if the election had been held on the basis of the proportional list. I do not doubt that the National Party would have won a large majority of the seats in the Shura Council if the opposition had taken part in these elections.

Finally, the only thing we can do [now] is find comfort in what happened because Egypt won in the elections for the Shura Council the confidence of its citizens with the neutrality of the administration. Egypt won the confidence that its citizens have in the fact that [the administration] is determined to keep the election process above reproach even though that may have to be done at the expense of the National Party. It is now up to the National Party to review what happened and to assure us that it has learned the lesson.

8592

CSO: 4504/44

STUDENT HOUSING SHORTAGE DISCUSSED

Tripoli AL-TALIB in Arabic 25 Sep 83 pp 8-9

/Article by 'Assam al-Zubayr: "We Want a Well Thought-Out Plan To Solve the Problem of Student Housing. The Tragedy Repeats Itself Every Year, Without a Solution!"

/Text/ The problem of student housing at the universities of al-Fatih and Qaryunis has not been solved during the past 2 years, despite the fact that many makeshift, substitute attempts have been made to achieve a temporary solution by packing the rooms with students and putting pressure on the dining hall and other rooms. However, as this investigation shows, the two universities, especially al-Fatih university, are not bearing the responsibility for solving this problem. In order to clarify the situation, AL-TALIB undertook an investigation of this problem with Brother Anwar 'Uraybi, the general registrar of al-Fatih university.

According to what the registrar said, there is still a student housing problem this year. No agency responsible for this problem exists. The University is using all the capabilities and energies it has to solve this problem.

However, the People's Committee for Housing Secretariat was supposed to help the university solve the problem quickly.

Moreover, the General People's Committee was supposed to get involved in solving this problem. It plays a role in financing the projects submitted by the university. It agrees to spend money on them, while the secretariat of the General People's Committee for Housing takes over the supervisory role.

The university submits an engineering report concerning the structures and buildings it wants to erect. The housing secretariat in this district takes responsibility for signing the contracts with the companies for construction of these structures, after they have been financed by the General People's Committee. Consequently, the university's hand is not in this problem. Rather, those primarily responsible for it are the secretariat of the General People's Committee for Housing and the General Popular Committee.

Concerning this year's problem, there are 22 dormitories set aside by the People's Committee in accordance with a decision by the General People's

Committee. In addition, 18 buildings, complete with water and electricity, are ready to be completed. This is enough to house the university's teaching faculty and provide some buildings for housing university students. The latter currently house the teaching faculty. However, this solution will not be finished this year.

The rent on each apartment in these buildings will be 150 Libyan dinars. The university will give the money to the secretariat of the People's Committee as social security. Occupancy of the apartments was supposed to be initiated a year ago, but the start of financing was delayed for 2 years by the General People's Committee. This further complicated the problem.

Concerning on-campus housing for the students, there are 12 buildings. In addition, there is another one for housing the members of the university's teaching faculty. Consequently, there is a total of 13 buildings. This year, rooms will be distributed in the following way:

A single-person room will become a two-person room, while a three-person room will become a four-person room. This will be done as a temporary solution undertaken by the university.

The other building in the residency complex, which now houses the members of the teaching faculty, has been earmarked for graduate students. The other 9 buildings with their 784 rooms are for the foreign members of the faculty.

Among the direct causes of this problem is the fact that the number of graduates is small next to the number in the university or heading to it, which is large. This imbalance creates a big problem. Moreover, when the academic year ends, 70 percent of the students do not leave or turn in their room keys. Thus, it is impossible to control occupancy, except by examining the rooms. Ending the occupancy process causes us a lot of embarrassment.

In addition, the colleges do not provide us with lists of their graduates. Therefore, we cannot control the numbers leaving student housing during one or both semesters.

Moreover, mistakes are made in directing the students. Through these errors, some students living in or near al-Bayyan al-Awwal are sent to the College of Engineering at al-Fatih university, to one of the other colleges, or to similar colleges at Qaryunis University. This creates addition residency which further hinders the proposed solution.

As for the dining hall, the meal hours will be set so that this huge number of students can be accomodated. We have submitted a proposal for building another hall, which would adjoin the current dining hall, but execution of this has not started yet. Rather, it is still under tender.

There are four buildings for housing female students. The students living in them suffer from the problem of crowding, especially since the number of female graduates and the on-campus section do not exceed 50 students.

It is worth mentioning that there is a building next to the on-campus housing for female students. This building is included in the plan for housing them. It belongs to the Electric Structures Company. It was supposed to be remodeled and given to the university, so that the whole area would stay a women's area, according to the housing plan, thereby solving the problem and sparing us some other problems which we do not need.

We acquired these four buildings last year. In return, they took from the university the female student housing located between Ghashir and Zawiyat al-Dahmani. A tender has now been assigned for a dining hall for the women's dormitories. We are waiting for the General People's Committee to agree. The on-campus housing set up for the female students contains no dining hall set aside for them. Losses are always being experienced by the students living in the on-campus sections in the way of chairs, sitting rooms, lavatories and rooms. These are very unreasonable losses, and we are always trying to get these things ready and provide furniture for the rooms.

This year, we did maintenance on the essentials, and it cost the university budget 50,000 Libyan dinars.

With regard to the other problems being faced by the university, this year saw the two universities move away from the Committee of Educational Direction. We do not know how or on what basis there will be direction. We only want to say that al-Fatih university can take not a single student more into its on-campus housing. The same is true with respect to studying in the lecture halls.

Many students will enter the university this year, including exempted students from the military colleges and students from the various missions, such as the exhibitions mission, the tourism mission, the technology mission, and the communications mission. We do not know how all the students heading for us now will be allowed to enter.

No lecture halls or student dormitories have been built for some time, although the College of Education is solving its lecture hall problem. Right now, the finishing touches are being put on 5 lecture halls with a capacity of 1,000 students per hour. Each hall can hold 200 students an hour. They were supposed to go into service last fall semester, but that will not happen until the first semester of this year, 1983/84.

Moreover, another problem is going to be created. It is the problem of transportation for the female students. This problem is caused by a lack of buses and drivers. This year, though, all the routes will be covered by a greater number of buses.

The Students

Despite all the university's individual attempts and modest efforts, the problem will continue as long as no plan is readied for the future, while the number of incoming students is great and exceeds that of the past. We say no to the single-year plan and point out the student's future and the country's need for them. We point out the obstacles in their way that must be removed, and we demand

that these problems, which the two universities have been experiencing for the past 3 years while struggling along with the yearly plans, be solved speedily.

We say that the General People's Committee for Education, the General People's Committee for Housing and the General People's Committee should take a good look at the university, for the sake of increasing its competency and providing it with the facilities needed to raise its capacity to serve.

We have had enough of makeshift, 1-year plans. We are waiting.

12224

CSO: 4504/15

MINISTER OF PLANNING DISCUSSES DEVELOPMENT

Baghdad AL-JUMHURIYAH in Arabic 1 Sep 83 p 5

[Interview with Dr Samal Majid Faraj, the minister of planning, by Yunis al-Shakraji: "Planning and Development in the Shadow of the Revolution"; date and place not specified]

[Excerpts] Planning is a scientific technique used to achieve economic and social development, via the optimal exploitation of given human and material energies and potential.

This technique is characterized by comprehensiveness, depth, and the imposition of various political, economic and social systems.

The beginnings of interest in the subject of planning in the Iraqi region go back to the first years of the 1950's, when the development council was formed and its tasks were defined as preparing development plans and executing the projects contained in these plans. At that time, the projects were financed by setting aside a portion of the oil revenues for this purpose.

In order to review the course of planning in the region, its development, Iraq's development plans, their major outlines, and the level of development which the planning agencies have reached under the revolution, AL-JUMHURIYAH interviewed Dr Samal Majid Faraj, the minister of planning. The interview dealt with all these issues.

Considerations Involved in Drawing Up the Plan

[Question] What considerations do the planning agencies keep in mind as they prepare the final form of the plan?

[Answer] Depending on the statements which have been given concerning the goals of the sector and its projects, which have been suggested by the various ministries, the central planning organization evaluates the suggested projects, calculates their economic effects, and chooses the best possible alternatives which could achieve the general goals of the plan within the time frame set for it and in accordance with available financial resources, even if the situation demands a review of the general and specific goals of the comprehensive, national plan in light of exigencies and available, realistic potential. They take the following consideration into account:

Plan realism: The plan should not be so ambitious that the executing agencies are incapable of achieving it. Neither should the goals be so modest that a portion of these agencies' executive energy is idled.

Plan flexibility: We think it is necessary for the plan to be abundantly supplied with flexibility. Thus, the 5-year plan is drawn up within the context of the long-range plan, with specific yearly plans issuing from it which can be considered the plan's executive program for a particular year of its five. Of course, the yearly plans must be open to revision in the light of circumstances and new events which the planners did not consider when preparing the plan.

Geographical Distribution of the Projects: We try to coordinate the suggestions of the concerned ministries with the requirements of the various regions and governorates, so that a balance is created between the requirements of the sectors and the real needs of the citizens in the regions and governorates. We also work to maintain a balance between society's available resources and the expected uses of these resources, so that the plan will be coherent and well integrated.

Human potential: This factor requires that we study the availability of the various technical and vocational specialties we need, not merely to implement the plan's projects, but to keep them working at a high level of competency after they are completed. On the one hand, this requires that work force planning be tied to economic planning, while on the other it requires that work force planning be linked to educational and training-related planning. After a final picture of the plan's suggestions is worked out, it is presented to the higher leadership for approval and for implementation, following its enactment into law.

Developing the Planning Agencies

[Question] You have gone over the process of developing the stages of the preparation of the national development plan. What has been done to develop the planning agencies in order to increase their effectiveness and raise their competency?

[Answer] We found that we had to stop at the beginning and review in a scientific, realistic and serious fashion the course of planning in the region, in addition to running a comprehensive evaluation of the planning departments and agencies which belong to the council and Ministry of Planning.

Via this evaluation, working papers were prepared which aimed at evaluating the course, identifying strong and weak points, and determining solutions and modes of treatment, so that all negative aspects and gaps can be transcended and the desired development achieved.

The working papers of these agencies were discussed at expanded meetings in most of which the first deputy prime minister participated, as well as a number of ministers and ministerial representatives and some officials and specialists. The papers were recast in the light of the discussions

and submitted with recommendations to the office of the first deputy prime minister, from where they went to the office of the president of the republic.

The final result took the form of decrees and directives issued by the Revolutionary Command Council and the office of the president of the republic, in addition to the office of the first deputy prime minister. They were immediately applied and executed.

In order to achieve optimal exploitation of available energies and to delimit the tasks and duties of those concerned in a proper context and in a way that will let us reach our goal while assuring that activity proceeds in a well organized fashion, we worked to prepare for the planning agencies and departments yearly plans that were precise, comprehensive and competent. In addition, we prepared an integrated program for following up the implementation of those plans in the desired manner.

In order to develop the capabilities of these agencies, increase the competence with which they do their work, organize work, and clarify the relationship between each of our departments and the other departments, we took a series of measures and basic steps, such as surveying the work actually done in these departments. A group of experts and specialists helped. We also laid down a comprehensive program in cooperation with a team of experts, the goal being to mechanize work and introduce computer systems and programs into all principal activities. We also prepared work and project directories, with the goal in mind of defining and directing. Offices, storerooms, etc., were reorganized according to the best possible methods.

Follow-up plays a prominent role in our activities. Therefore, we were eager to develop follow-up methods, with special reports being done on the subject early on and interest being taken in creating solutions and methods of handling problems and difficulties. Development took the form of follow-up in the field. A program of field visits was put together, so we could learn from close up how the implementation of activities and projects was progressing and submit practical suggestions for overcoming obstacles.

This qualitative development in the method of follow-up has produced positive results in the form of an improved understanding of the reality of the projects. Consequently, we can choose good indicators and concepts when preparing the investment plans. Similarly, the ministries are enabled to find solutions and ways of dealing with obstacles which block the implementation of the plan's projects.

The ministry has turned its attention to developing the economic data and information base, organizing it, and programming it into the computer. It has prepared an integrated program which is now in the application department. This interest has been imposed by the necessity of having such a wide data base at the disposal of the leadership. It must be the proper and scientific foundation for the preparation of the plans and schedules, as well as for drawing up and making decisions concerning various economic and social matters in the region.

Scientific studies have taken their natural place following confirmation of their importance and role in planning. A comprehensive plan for scientific studies has been prepared which is considered the first of its kind in the history of the ministry from the point of view of comprehensiveness, size and precision. This plan included 98 scientific studies which it has been decided to carry out this year. They deal with the various aspects of planning and development in the region.

These studies were prepared with the goal in mind of arriving at methods of treatment and programs which will help develop planning and contribute to solving the difficulties and problems which confront the principal activities in the various sectors of the national economy. In addition, they have an important and basic role to play in devising development plans on proper, realistic and scientific foundations. For some time now the studies carried out within the context of the abovementioned plans have been discussed at expanded meetings held weekly.

Since planning is a technical and scientific activity which needs a great deal of precision, care, broadness of horizons, theoretical knowledge and field experience, it cannot accomplish its goals while existing in a fluctuating, un-integrated state in which there are not enough planning cadres available to take upon themselves the actual planning. Therefore, the ministry has given special attention to the subject of training, as well as to the preparation of programs for training classes in the area of planning and follow-up, at the National Planning Institute.

It has been decided that all the members of the technical bodies will be included in these classes, as well as the employees of the planning departments in other ministries.

Cooperation and Coordination Among the Planning Agencies

[Question] Your ministry is considered the government agency which bears primary responsibility for planning in the country. However, there are planning units in many agencies and ministries which work to draw up detailed plans. How is cooperation and coordination with them achieved, so that direction is maintained in preparing the plans?

[Answer] There is no doubt that the planning and follow-up departments within the ministries are considered an extension and an integral part of the central planning agencies, insofar as the technical aspect is concerned. On this basis, the operation of developing planning in the region requires of necessity continuous participation in the development of those planning departments, as well as the building of broader bridges of contact, mutual understanding and coordination between them and our own central planning agencies.

As a result of the realization of the complementary role these departments play in planning, a working paper has been prepared on their situation and paths of development. This paper has been discussed at a meeting attended by the first deputy prime minister, as well as a number of ministers and

and officials from all the ministries. It along with its recommendations was sent to the office of the president of the republic.

In addition, expanded, regular meetings were held for all general directors of planning and follow-up in the ministries. At these meetings, the progress of planning activities and the following-up of plan implementation were discussed, with the goal of creating a joint understanding and coordinating efforts in the context of development planning.

A special program was worked out for holding seasonal meetings in the Ministry of Planning. They will be held by the sectorial technical bodies and attended by representatives from the sectorial ministries: industry, agricultural, and transportation and communications. They will discuss matters having to do with the plan and with coordinating efforts to deal with obstacles and develop planning operations.

Moreover, another program has been drawn up to train the employees of the planning and follow-up departments of the ministries at the National Planning Institute, in order to speed up the development of the planning capabilities of the greatest possible number of cadres from those ministries. At the same time, the comprehensive, scientific guidebook on developing and following up development plans was distributed to all the ministries, thereby putting it at the disposal of all officials and specialists, so they can use it in preparing and following up national development plans.

12224

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UNIVERSITY ECONOMISTS SAY ECONOMY STRONG DESPITE WAR

Baghdad AL-JUMHURIYAH in Arabic 15 Sep 83 p 5

[Interview with Dr Muhammad Taqah, chairman of the department of economics at al-Mustansiriyah University, and Dr Taqi al-'Ani, Dr 'Abd al-Mun'im al-Sayyid 'Ali, and Dr Nayif al-'Izawi, professors there, by Yunis al-Shakraji: "All the Indicators Confirm the Strength and Solidity of the Iraqi Economy"; date and place not specified]

[Text] Despite the circumstances of the war, the enormous costs, and the pressures our region has been exposed to as a result of the decision by the traitorous Syrian regime to close its borders with Iraq and forbid the passage of Iraqi petroleum, goods and commodities across its territory, the course of the Iraqi economy has not been influenced by these new circumstances. The economy has remained strong and solid.

The causes and factors of our economy's steadfastness, the role of the masses in escalating this steadfastness, and the way in which the Iraqi economy has adapted itself to serve the war effort, while at the same time the process of development goes on, were the subject of the interview we held with the chairman and professors of the department of economics at al-Mustansiriyah University. The text of the interview follows:

[Question] How is the concept of the war economy defined, and what are its foundations and kinetic characteristics?

[Answer] (Dr Taqi al-Ani) The problem of the war economy was raised for the first time during World War I, especially after it had lasted a long time. However, it did not go beyond the matter of financing foreign payments and the war in progress, as no plan was laid out for any side for providing the basic needs of the army, the population and the armaments program.

Since the problem facing the war economy was one of foreign financing for the war, measures were taken at the time which had a monetary and financial character, such as imposing a mandatory price for paper currency, interfering with the price of foreign financing, imposing taxes, and making the colonies bear much of the war's cost. However, the war had a definite result: the materialization of damages in the productive forces of the warring state.

Therefore, a war economy was quickly established when World War II broke out. One can say that Germany set up a war economy before World War II broke out, since it shifted production and its heavy industrial base to war production.

If it is true that war demands increased state interference in the economy in the capitalist system, then, in view of the common ownership of the means of production under the socialist system, the latter has more control over its productive forces. Consequently, it can carry out bigger reforms in the priorities which determine the allocation of the productive forces in time of war. This is what the economic policy in our heroic region has applied during our war with the Iranian regime.

Some thinkers believe that there is no such thing as a war economy or a peace economy in a country striving for planned development. They think it amounts to this: in circumstances of war, some measures and economic policies must be introduced which conform to the circumstances of the war. These measures and policies are what is called a war economy.

However, most economic writers and thinkers admit the existence of the war economy and the necessity of working with it, especially when the war lasts a long time. These thinkers lay down theoretical foundations as well as practical solutions capable of being applied for the three periods of the war: the period before military operations begin, the period during them, and the period after them.

They see the war economy as an operation in which the nation's material resources are concentrated and organized, while its productive forces are mobilized for the sake of winning the war, so that there is a change in the relationship between the economic surplus used for purposes of development, individual consumption, and general consumption, and war spending.

War spending is favored by the change. The increase in war spending is only realized by putting pressure on individual consumption and mass consumption. The situation may require pressure to be put on investment spending as well.

Dr Muhammad Taqah: I want to comment on this theory by saying that any state which enters a war in order to defend its national sovereignty against an act of aggression against it has as its first goal the achievement of victory and the defeat of the aggression perpetrated against it. This is usually done through meeting a basic condition: the capability and superiority of the national army over the enemy's army technically as well as in terms of morale and numbers. However, this condition alone is not enough to assure the achievement of victory if the war lasts a long time.

At this point, another essential, basic condition becomes prominent: the strength and solidity of the national economy and its ability to absorb the state of war, with its enormous costs in material and human terms. The economy must be able to transform the production of many of its national factories to war production, in order to meet the army's needs, on the one hand, and decrease imports while working to bring in hard currency, on the other.

Dr 'Abd-al-Mun'im al-Sayyid 'Ali: One can define the concept of the "war economy" as the process of directing the national economy toward the dedication of a portion of the national wealth and income to national defense goals, while at the same time providing for and meeting the basic needs of the population in such a way that their living standards are not affected any more than is absolutely necessary.

When this concept is applied, it becomes obvious that national income needs to be distributed equally among three expenditure areas: consumer spending, development spending, and defense spending. This must be done in such a way that the requirements of national defense are met to the greatest extent possible, while at the same time living standards are maintained in the sense that the need for food, clothing, housing, health care, and the related necessities of a dignified life is met.

The war economy concept also includes being economical in military expenditures and other expenditures, without violating the principles of "adequacy" and "sufficiency." This must be done in such a way that waste and squandering are reduced as much as possible, while their opposite is maximized. The concept of national defense means internal and external security. Security is not an easy concept to measure. It is a qualitative concept more than it is a quantitative, measurable one. Perhaps the confidence and optimism of the people represent this qualitative return, which in turn measures the adequacy of military spending and national defense administration. If that is achieved, then our military and defense administration has succeeded in increasing and maximizing its return, according to the well known economic definition.

[Question] To what extent has our region been able to apply this concept during our just war?

[Answer] Dr Muhammad Taqah: The war economy in our region has been characterized by its great potential and its capabilities. These capabilities have paved the way for all of society's material and human energies--"the extant industrial, agricultural, and service capabilities, as well as the labor force, etc."--to finance society as it faces the battle. This requires both high-level planning and avoidance of any possible misuse of these energies.

In the shadow of the war and despite the limits of these basic factors, the Iraqi economy has been able to reinforce the combat fronts with additional forces which, together with the military forces, realized and reinforced the spirit of victory which our country has been experiencing throughout the last 3 years of war, and which it will continue to experience in the future.

Guiding Consumption

[Question] What are the effects of guiding and adapting consumption to the war economy?

[Answer] Dr Nayif al-'Izawi: Iraq's petroleum is no longer being pumped to the world markets through Syria's territory, as a result of the position taken by the traitorous rulers of Damascus, who forbade its passage across Syrian territory. At the same time, things happened to world oil prices. Then, too, some OPEC countries went ahead and increased production, while the capitalist countries followed a policy of energy conservation. All this doubtlessly influenced the revenues of the oil producing countries, Iraq among them.

Iraq decided to take a series of decisive measures which assured the continuation of its economy. First among these was the re-examination of revenues from non-oil sources, such as agriculture and industry, especially hard currency revenues. A policy was followed of cutting unnecessary expenditures and guiding necessary consumption, with the goal of compensating for the oil revenues. Thus, the region can confront the new circumstances via new economic policies.

Following these new economic policies required re-examining public and private expenditure--consumption policies, as well as development, finance and trade policies.

Here the importance of providing for and meeting the basic needs of the citizenry became clear. It was equally clear that, in order to satisfy needs, luxuries and non-essential materials would have to be dispensed with as much as possible. The situation dictated that the process of guiding and adapting spending would begin in the socialist (government) sector, especially its consumption side, so that it would be an example for the other sectors.

The general principle on spending is that it must be guided. This means that all spending must be proper and contain a minimum of waste and squandering, in both the consumption field and in the investment field.

Dr Taqi al-'Ani: It is well known that consumption spending consists of private consumption spending (the family sector) and public consumption spending (all state institutions--the socialist sector).

Since the national income of any country is distributed among consumption, investment and spending, any increase in investment or in war spending necessarily requires that pressure be put on both private and public consumption spending. Therefore, it is clear that guiding consumption means "considering spending and limiting oneself to consuming only necessary goods and services." In order to carry out this policy, a series of measures are usually taken. Some are voluntary and are implemented through mass cooperation, with the citizens reconsidering their consumption behavior within a new context in which all kinds of waste, squandering and excess are eliminated and people are encouraged to save. Other measures raise the prices of some goods, while achieving a relative increase in taxes and turning to mandatory savings.

Voluntary measures taken with the goal of supporting the war economy have shown notable effectiveness in our Iraqi region due to the consciousness of the wise leadership headed by the struggler leader, President Saddam al-Husayn. The current campaign to collect donations of money and gold is considered one of these voluntary measures, which will have both direct and indirect positive effects on our national economy. This campaign can also be taken as an indication of the potential for limiting private and public consumption through volunteerism and direction."

Dr 'Abd-al-Mun'im al-Sayyid 'Ali: What is meant by "adapting the economy" is guiding the national economy in a better fashion, so as to achieve the maximum possible return from the various types of spending, whether it be consumption-oriented, production-oriented, development-oriented, or military in nature.

This means that economy of spending is practiced to the greatest extent possible, in return for a greater yield, under given economic, political and social circumstances. This cannot be achieved automatically. Rather, as Robins, one of the economists known as the "war school" pointed out, it requires the participation of all of the nation's economic sectors, as well as that of all sectors of the population, in this process of adaptation. Each citizen bears his share of the total. Both present and future generations are on the same level in this regard, for the task of achieving national security is not limited merely to the current generation. Rather, it takes in future generations as well.

In this case, the state is required to influence the economy in the desired direction, so that both the requirements of the war and the basic needs of the citizens are met.

In this case, it is also necessary to impose direct and indirect supervision. The former is imposed on prices, wages, the uses materials are put to, labor, etc., while the latter is imposed on financial and monetary policy. Indirect supervision is characterized by the fact that its results are slow to implement and to take effect. These effects might be small in the developing countries. Therefore, I prefer to focus on direct supervision when conducting the necessary process of adaptation.

Factors Behind the Steadfastness of the National Economy

[Question] When wars drag on, they have negative effects on the economies of the warring countries. What factors account for the continued steadfastness of the Iraqi economy, despite the fact that the war has been going on for 3 years?

[Answer] Dr Taqi al-'Ani: The continuing implementation of the development plans and the provision of all types of consumer goods in Iraq's markets, despite the fact that our just war has been going on for 3 years, have surprised many friends and foes. This surprise vanishes when one considers the true factors behind the continued steadfastness of the Iraqi economy. One of the main factors is the wise leadership, which is headed by the

leader President Saddam Husayn. This leadership is capable. Its calculations are correct, and it takes the steps which suit each situation at the right time.

The rallying of the masses around the leadership.

The existence of a strong socialist sector.

The good international position Iraq occupies among the nations and the trust the world has in the system of government in Iraq, as well as in its extraordinary leadership, which honors its commitments, are other factors behind this steadfastness.

Then there is the presence of a network of high-level political and economic ties with all the countries of the world, which helps to give flexibility to Iraq's maneuvering on various levels and planes.

The good exploitation of the country's agricultural and industrial potential has shown the world that Iraq's economy is not one-sided.

The interaction of the masses with the new circumstances and the rising of the nation's spirit have realized a palpable increase in output.

Dr Nayif al-'Izawi added: Perhaps one of the most prominent factors behind the steadfastness of the economy in Ba'thi Iraq is the independence of the Iraqi economy and the way it is not influenced by or tied to the economies of the two world camps. This has reinforced and strengthened the material and technical basis of the Iraqi economy's continued growth and development.

This independence has allowed Iraq to work with all states which possess a technical capability in a way which serves and develops our national economy. This is done in isolation from the political effects the great powers use sometimes in order to apply economic pressure to countries.

The decision which resulted from the extraordinary leadership of the struggler leader, President Saddam Husayn was wise, for it defined the paths of the Iraqi economy's independence, as well as the way in which it was tied to political independence for the sake of building a strong Iraq capable of confronting all the economic pressures applied to stop the wheel of development in the region.

The independence of the Iraqi economy is considered one of the basic foundations of steadfastness in the face of the country's enemies, for the high level of trust which the national economy enjoys through its cooperation with states and international companies has effectively helped to build the material and technological base of our country, although the war which was imposed on us has lasted 3 years.

The best sign of the world's trust in the solidarity of the Iraqi economy is the continuing construction of the great projects which are creating a civilized, flourishing Iraq and will put the country among the ranks of the advanced countries, both in terms of civilization and technology.

The Role of the Masses in Supporting the National Economy

[Question] How can we define the role of the masses in supporting the war economy under the current circumstances?

[Answer] Dr Muhammad Taqah: When someone gives the masses the chance to express their potential and capabilities and to unleash their energies, as the leadership of the party and the revolution has done in Iraq, then the masses are like a roaring river. They get rid of everyone who stands in their way and tries to hinder their passage and frustrate their yearning for life.

Therefore, when the masses feel that they are facing great challenges and blatant aggression, which has been committed against their rights and country, then their devotion and sacrifices for the sake of defending their country surpass traditional conceptions.

Without a doubt, the masses and their organizations have a big role to play in supporting the national economy by cutting expenditures and moving away from the phenomenon of conspicuous spending, as well as by guiding consumption on the family and individual level and turning toward saving. That should be a life-long pattern of behavior, not just under the current circumstances, but into the distant future as well.

The masses have added yet another image to the shining images of the glorious history of our nation through the donation of their gold jewelry and the sums of money. These contributions have had and will have a big influence on supporting our economy. They are also a blow against those who fantasize about and bet on hurting our national economy.

The masses of our great people are the essential support of our national economy. They are a reserve which does not run out, as the leader President Saddam Husayn has put it.

12224

CSO: 4404/10

BRIEFS

AL-NAJAF MARKET PROJECT--Under a directive of the struggler President Saddam Husayn, work will be completed soon on the execution of the biggest project seen in al-Najaf governorate. It is the project to rebuild and organize the old market in the city of al-Najaf. The market connects Sahat Iman 'Ali with Rawdat al-Haydariyah al-Mutahharah. The announcement was made to AL-JUMHURIYAH by leader Mr 'Aziz Salih al-Khafaji, the governor of al-Najaf, who said that the president had recommended that 66 million dinars be allocated to rebuild the big market in al-Najaf with the most modern architectural advantages, because of the historic fame this market has enjoyed since earliest times. As part of the project, living quarters and shops will be built for the vendors, jewellers, and money changers, in addition to special shelters and a big parking lot, so that crowding in the city's streets will be alleviated. The market is 1 kilometer long and 60 meters wide. One million dinars have been allocated for paving the governorate's streets. In addition, the governor has announced that the citizens of al-Najaf governorate who live in the villages and countryside can present requests as quickly as possible to obtain cement and brick with which to build houses for themselves on their land and farms which are similar to those of the city dwellers. The governor asked officials to facilitate the dealings of these citizens, so that they might enjoy comfort and a pleasant life under the leadership of the leader President Saddam Husayn. [Text] [Baghdad AL-JUMHURIYAH in Arabic 31 Aug 83 p 6] 12224

CSO: 4404/10

WEST BANK VILLAGE LEAGUE HEAD RAPS TRIPOLI EVENTS

JN091037 Jerusalem Radio in Arabic to the Arab World 1541 GMT 8 Nov 83

[Jerusalem radio correspondent Rif'at Qaddur interviews Jamil Falah al-'Amlah, head of the Village Leagues in the Hebron Governorate and head of the Bayt Awla local council. Time and place not given--recorded]

[Text] [Qaddur] Mr Jamil Falah al-'Amlah, head of the Village Leagues in the Hebron Governorate and head of the Bayt Awla local council, good evening. You returned from a visit to Europe two days ago and it has come to my knowledge that you have met there with various Arab personages. Is this true?

[Al-'Amlah] Yes, I met with a number of Arab personages who have influence in the West Bank. It is better not to give their names. I would like to say for the first time that I was able to collect about \$0.5 million to develop and establish vital projects in the West Bank. The major portion of this amount will be allocated to set up a science college in Bayt Awla village. This college will reduce the shortage of education in the rural areas on the West Bank. I hope that all of us will actively work to raise the education standard particularly in the West Bank.

[Qaddur] Mr Jamil al-'Amlah, the Palestinians in Tripoli and north Lebanon are living in difficult circumstances and are subjected to fighting and terrorist acts by Syrian and Libyan forces as well as those who dissociated themselves from the PLO. What are your reactions to these incidents?

[Al-'Amlah] In fact, the acts of infighting, terrorism, dispersing and bloodshed which our Palestinian brothers are witnessing in Tripoli and north Lebanon have put us back tens of years, back to the age of barbarism, in this delicate Middle East situation. This deteriorating situation is greatly condemned by us here and fills us with anxiety and disgust. It urges me to request and appeal to all Arab leaders to wake up and hurry without without delay to rescue what remains of our people in Tripoli. These incidents prove the need to head toward a peaceful solution with our neighbors, otherwise with the lapse of time we will witness more difficult circumstances and greater tragedies than those of the past. The first tragedy was in Tel al-Za'tar, then Beirut, and now the third Tel al-Za'tar [massacres] in which we lost hundreds or even thousands of our people. It is high time for us to admit

that there is no alternative to a peaceful solution to our issues and to mutual recognition. These days, moments, and hours are the best proof of the Arab countries nonintervention to help the PLO, the sole representative of the Palestinian people. I repeat that the only solution is the mutual recognition and peaceful negotiation with our neighbors, and only our neighbors. No hope or solution will come from the Arab countries. We have had enough terrorism, dispersion, and bloodshed from them.

[Qaddur] Mr Jamil al-'Amlah, I would like to ask you about the Village Leagues in the West Bank. Is there a plan to elect a new chairman of the Village Leagues Federation to replace Mr Mustafa Dudin?

[Al-'Amlah] In fact, we have postponed this topic until early April. We will discuss it then, and if God wishes, a new chairman of the West Bank Village Leagues Federation will be elected.

[Qaddur] Mr Jamil al-'Amlah, thank you.

[Al-'Amlah] Thank you.

CSO: 4400/60

PSYCHOLOGICAL EFFECTS OF RESERVE DUTY VIEWED

Jerusalem THE JERUSALEM POST in English 30 Oct 83 p 5

[Article by Dr Ellie Henkind Katz]

[Text]

AS INEVITABLE as death and taxes, *miluim* (reserve duty) removes every eligible man in Israel away from home and job for often up to 70 days a year. And while it's only the men who go, almost every individual in the country experiences it. The wives share in it, and so do the children. Businesses feel it to extraordinary degrees. It's a duty you must recognize, whether you are a dove or a hawk. Everyone takes his turn.

There is no evading the fact that of late, especially since the Lebanese outbreak, a man's absence from civilian life is not a neutral one. There is no overlooking the fact that when a man leaves for a thirty-day stint in Lebanon, he is moving into a rather hazardous situation. This puts an extra burden on the wife and kids, as well as the husband. It's a strain to reorganize the family during these periodic absences, but it's even more complicated to carry out one's duties, knowing full well that the possibility does exist that something sensationally dangerous might occur.

In a healthy marriage between two independent partners, this period can be regarded as a special time in the woman's life. She can exercise her autonomy in the house in a way that doesn't infringe on her husband. It can be very exciting to experience this temporary respite from the stresses that even healthy

marriages contain. There's a freedom implicit in the husband's absence that offers the woman a chance to take a good look at herself, without being entirely in the marriage context.

If the marriage is a tense one, with unresolved power struggles and conflicts, *miluim* provides a neat breathing space for everybody. The woman gets a chance to be the only authority in the house and the children can often enjoy this. So instead of the normal world of mixed messages and clenched fists, life is more peaceful. And if Mommy's bright, she'll take this opportunity to think about what's going on in her marriage that makes her husband's absence seem positive.

Some women simply fall apart when night after night they must be alone. There is an interminable quality about it that weighs on the woman who is really dependent on her husband. She feels deserted. This infantile feeling is what she flings at him when he telephones or comes home for a visit. She's so involved with this pain that she can't enjoy him even when he is there. On a very primal level, she believes she has been abandoned, rejected and punished. Her life begins to aggravate; the burdens of the house seem beyond her grasp. Either she becomes hostile and nervous or sinks into a depression or apathy.

In some instances, trust becomes relevant too. Does the woman feel that her husband will use his time away from home as a chance to test his manhood? One often hears tales of romantic escapades during this period. Also women have been known to try their own wings during their husband's absence. But this has to do with the nature of the marriage relationship, and should not be regarded as symptomatic of *miluim*. Even though it's a bit easier to form romantic connections when one's spouse is not around, *miluim* does not force a condition that did not already exist.

If the wife's life is based on considerable participation from her husband, then *miluim* will cause inevitable difficulties. If both partners work and share child-care and household tasks, *miluim* will place a weighty burden on the woman. It will be a major juggling act to proceed with her regular routine. She will either have to cut down on her work, if it's possible, or ask for help from friends or neighbours, or relax some of the house rules. At this point *miluim* poses a complicated threat to the smooth and easy flow of life.

All this points up the ancient imbalance between the lives of men and women. The male, cast as protector or warrior, periodically leaves home. The woman, true to tradition, stays home to tend to

home and family. For the woman who is trying to emancipate herself and create a balance that is not yet historically established, these circumstances mean a throw-back to the ancient role. This is not a palatable situation for the modern woman. It is a Sisyphus-like situation. Just when she felt she was making progress, *miluim* rears up and she's acting out the conventional role she thought she'd transcended. The best thing a woman can do about it is to regard it as a time for self-discovery. And just as her husband is going through a training, so must she. Otherwise nothing is learned from this and that would be a waste of a good opportunity.

For years I have heard women say that they enjoy these periodic absences. Is the implication that these women don't like their marriage or their partners? I think not. One must acknowledge, however, that even in the most healthy marriages, people need personal space. Standing back from a situation often serves to clarify it. Missing also has its benefits. Even tinged with a bittersweet quality, the separation offers women an opportunity to feel themselves as individuals who are not solely involved in the marriage dialogue.

In most families in Israel, the evening is a time when both partners come together as adults. When the kids are in bed, the couple has a chance to be together and to relate to each other, not as workers, not as parents, but as a man and a woman. Unfortunately, this context is not free of all the tensions accumulated during the day.

So the chance to be together is not always a loving and tender interlude. Perhaps, too, night after night, the same routine with one's husband is not altogether enticing. Most of the time, the wife acknowledges her marriage commitments, but it's not always what she wants to do. Sometimes this behaviour emanates from a sense of obligation.

Husband and wife may have different interests that they never allow each other to pursue for fear of giving the impression of some dissatisfaction with the marriage state. Thus during her husband's absence, the wife can visit friends her husband doesn't like, or go to a Yoga class which has been a bone of contention between them for years. There is no reason why a woman shouldn't do this. It is imperative, however, that she teach herself not to feel guilty about looking forward to the opportunity to explore herself in ways that her marriage does not permit.

It is a glorious thing to carry out one's own decisions free of scrutiny. To have to account to no one because one feels like reading until 2:00 a.m. is a wonderful feeling. Even the issue of silence is pertinent. Silence is often a threat in a marriage, bearing unpleasant ramifications. *Miluim* is a time where a woman can exercise her prerogative of not having to converse if she is not so inclined.

There is no question in my mind that men, too, enjoy *miluim*. Not the rough conditions, of course, but the chance to get away from home and job and return to the "men's club." Often one rejoins, year after year, the same old army buddies. They've

been through a few wars together. There's a link between them that probably doesn't exist anywhere in the history of the military. It's the coming back, the common cause that make *miluim* so appealing. Perhaps men, too, like the freedom from marital obligations. It's not a negative thing to want to switch life conditions from time to time. And a world without women can be amazingly relaxing, for awhile.

Sometimes *miluim* is boring and sometimes it's downright frightening. It is an incredible strain to switch roles from home and job to the army. Such a drastic change of circumstances cannot fail to exact a toll on the personality. How can almost the entire male population come so close to death and re-enter civilian life unscathed? It hardly seems possible. Superficially, everyone seems to cope well. But there's an underlying tension here that permeates all phases of life, a readiness for action, a preparedness for all manner of threat. Being alert, even on a quiet scale, is exhausting. It's never going to be without consequences.

In Israel the name of the game is defence. It's essential and inevitable that this be done by *miluim*. And every mother knows that she will have to deal with this on another, decidedly more complicated level, when her sons come of age. With guarded pride, she will have to make her contribution. Even though wives and children don't hold the weapons, they must support the system that does. And in the end, everybody's involved somehow.

BRIEFS

AVERAGE WAGE UP--The average wage as calculated by the National Insurance Institute (NII) is now IS45,122--about 25 per cent higher than the quarterly-adjusted figure for July, and 154 per cent higher than a year ago. The NII spokesman said that the adjustment for October pushes the monthly salary ceiling for computing wage earners' payments to the NII up to IS135,000. The poverty line for a single person is now about IS11,300. Other adjustments for this month include a 33 per cent increase in old-age and survivors pensions, which includes a 25.5 per cent quarterly adjustment and a 7.5 per cent increase as compensation for the recent wave of price rises. NII benefits for low-income groups, rose by 25.8 per cent, including a special compensation of 12 per cent. Large families with four or more children were given a 12 per cent increase in benefits in addition to the 19 per cent increase for all child allowances. A family with four children whose head has done military service now receives IS9,923 per month, while the allowance for a family with three children is IS4,888. An elderly couple with other sources of income now receives a basic benefit of IS11,643 monthly, while a couple eligible for an NII income supplement gets IS18,952 a month. A widow with two children who is eligible for an income supplement receives IS22,783, or a bit more than half the average wage. [Text] [Jerusalem THE JERUSALEM POST in English 25 Oct 83 p 3]

ALLEGED OBSTRUCTION OF NEGOTIATIONS--Muhammad al-Nasir, one of the public leaders in the Hebron hills area, charges that the Israeli authorities in the territories are obstructing any attempt to persuade the representatives of the local residents to hold direct negotiations with Israel. In a talk with our correspondent Yo'el Dar following a visit to Rosh Haniqra, Al-Nasir said that the bloody conflict between the two PLO groups has freed many Palestinians of their fear and convinced them that there is no way to avoid peaceful negotiations. However, according to Al-Nasir, the Civilian Administration prevents the moderates among the residents in the territories from taking advantage of this opportunity and opening direct talks. [Text] [TA121511 Jerusalem Domestic Service in Hebrew 1500 GMT 12 Nov 83]

CSO: 4400/60

PRINCE HASAN DISCUSSES REAGAN PLAN, OTHER ISSUES

JN101406 Amman AL-DUSTUR in Arabic 10 Nov 83 pp 1, 21

[Dispatch by Carrie Nelle Thompson from Atlanta, Georgia]

[Text] His Highness Crown Prince Hasan, who is attending a conference on Middle East peace organized by the Carter Institute for International Studies at the Emory University, has stated that the complication of the Lebanese crisis, and the need to settle it have created a serious situation in the West Bank and the other areas which Israel occupies, because this has diverted the attention from what is taking place there in terms of intensive establishment of settlements, thus making it more difficult to achieve a just solution to the Arab-Israeli dispute.

In an exclusive interview with AL-DUSTUR on the eve of his delivering his speech at the conference His Highness Crown Prince Hasan said: We are passing through an obvious state of transformation whether in respect to the Lebanese crisis, the situation within the PLO, or with respect to the occupied territories. He added: I met with former Presidents Carter and Ford who believe that there is no contradiction between UN Resolution No 242 and the Camp David accords. I explained to them that Jordan did not participate in the talks that led to Camp David and that Jordan does not consider itself bound by its results, and I told them that U.S. initiatives exclude the PLO from the peace process. He added that Jordan had expressed its readiness to establish just peace in the Middle East if the conditions for its success are made available and that one of these conditions is that the Palestinians must participate in the peace process.

Prince Hasan said that Israel is the one which rejects all peace initiatives and is racing with time to swallow up the occupied Arab territories and that it is disavowing the Palestinian people's right to a homeland.

His Highness said: We believe that President Reagan's initiative contains a ray of hope for the attainment of a just peaceful settlement. He added: We did our best to reach joint measures with the PLO leaders but that this attempt, regrettably, has failed because pressures were put on the PLO by some Arab regimes, particularly Syria and Libya. Prince Hasan said: We are watching what is taking place within the PLO with pain and sorrow and Palestinians in the occupied territories are wondering what the future holds for them.

Prince Hasan said: We hope that a deep conviction of the Palestinians rights materializes. Though international Resolution 242 is the cornerstone for the definition of these rights, it has been undermined by the feverish settlement process in the occupied territories.

Commenting on what is taking place in Tripoli his highness said: It is a very serious thing to have the Palestinian decisionmaking confiscated and consequently to submit to a specific Arab country. He added that Palestinian-Jordanian relations are historical and strong but that the Palestinians must inevitably have the right to their own opinion about the establishment of peace.

His highness said: In our view of the crisis in the Middle East yesterday, former Presidents Carter and Ford admitted that the exclusion of the USSR from the peace process has been a mistake. He said that even Egypt is finding great difficulties in negotiating with Israel on the future of the Palestinians.

On Israel's insistence for recognition as a precondition to any negotiations, taking into consideration that Yasir 'Arafat cannot submit to the Israeli demand which is the core of the problem Prince Hasan said: On previous occasions, we said that this constitutes an obstacle in the entire operation of negotiations. Israel wants us to recognize it. Which Israel is it that Israel wants recognized? The Israel of 1967 or the Israel of 1983 as a result of the continued establishment of settlements? We are hearing about the appointment of a military governor for southern Lebanon. This is a catastrophe. Some military sides believe that Israel is a strategic ally of the United States, that it is not only a Mediterranean country but that its activities must spread beyond all borders. Others believe that Israel is a Middle Eastern country and that its borders must be as defined by UN Security Council Resolution No 242. Our readiness to recognize the rights of all states to live in peace is the cornerstone of our policy with Israel.

On the Syrian move against 'Arafat's last stronghold and whether this benefits Arab causes, particularly since 'Arafat is in his last position--that is, Tripoli--his highness said: It is regrettable that such developments take place. One year ago, 'Arafat was received by heads of states and attended summit conferences. We now see him appealing to the Arab world for assistance, and receiving little or no response. However, Jordan has been among the first countries to receive this appeal and to denounce the move. We believe in the need for an independent Palestinian voice, opinion, and decisionmaking while a country like Syria, regrettably, tries to carry out [words indistinct] on the Palestinian cause to the extent that it has become clear that they feel their influence in the region is measured by the degree of their control over areas in Lebanon and by the pressure they use against the Palestinians--thus causing them to use force, as is now the case.

Surely as long as the matter is related to the common ground in this reality where Syria, on one side, is backed by a superpower, and Israel, on the other side, is backed by another superpower, then this common ground is actually the little people, the people of Lebanon, the Palestinians, and the Jordanians.

On former President Carter's allusions yesterday that he feels disappointed with Israel's practices and its dealing with the United States, and whether this means a change in U.S. foreign policy and in its dealing with Israel, taking into consideration that he is no longer a president, and on what Jordan's stand is toward all of this, Prince Hasan said: As the campaign for the 1984 presidential elections has started, candidates are vying with each other to declare their support for Israel. We notice that they are promising to grant Israel loans without any conditions and military assistance worth \$20 billion. But the presence of prominent figures in this conference, such as Presidents Carter and Ford and many of Israel's friends who have criticized Israel's policy of pursuing the establishment of settlements and compared it to an empire that is being built with debts, is a positive development.

Yesterday, I noticed that the Israeli Labor Party leader levelled criticism because Jordan asked to purchase military hardware to defend its borders, and tried at the same time to put economic pressure on Jordan to force it to carry out negotiations. We are trying to foil the Israeli policy in the occupied territories. If the objective is to achieve peace in the region, the mediators must seek to satisfy the two parties and not simply put pressure on one party.

One of the rumors about the formation of a Jordanian rapid deployment force, his highness said: The program on the sale and financing of weapons aims at consolidating the capability of the Jordanian Armed Forces. As for our readiness to support Gulf countries, this is an internal Arab affair. We previously provided military assistance to Gulf countries such as Kuwait, Oman, and Yemen during the sixties and the seventies when we were asked to do so. We also trained military forces in these countries. There is not any kind of alliance with the United States, which is considered to be a superpower, for supporting its policies in the region. The United States must admit that security and stability in the region must be achieved by the peoples in the region themselves. The regrettable thing concerning the exaggerated report about the formation of a Jordanian rapid deployment force in cooperation with the United States has been fabricated by the Israeli lobby in this country in cooperation with its friends in Congress. What is also regrettable is that a draft resolution on offering military assistance to Jordan has been withdrawn from the congressional agenda at a time when Jordan needs these weapons to bolster peace and stability in the region.

It is evident that weakening Jordan and its armed forces is considered to be a weakening of a country we believe is contributing to stability in the region. In exchange for this, the United States helps Israel to become its only ally. This is considered to be one form of neocolonialism in the region.

CSO: 4400/59

LOOPHOLES DISCOVERED IN RECENT LAW RESOLVING MARKET CRISIS

Kuwait AL-QABAS in Arabic 31 Aug 83 p 11

[Text] Settlement proceedings had scarcely begun within the framework of the recent law when work stopped because of the absence of three key elements. It was impossible to make any advance toward unravelling the complex situation with the deferred checks without these three elements.

Two of these three elements concern a limitation on the comprehensive measures of the law. The law, for instance, stipulates that settlements are done in accordance with an interest rate that shall not exceed 25 percent of the spot price. Up to now the list of spot prices had not been prepared for the Gulf shares over the period of the past 2 years.

Such a list should have been available before the recent law was enacted because many of the solutions programs that were proposed in the parliament in the past relied on spot prices for the shares, which actually define the true level of the crisis caused by the crash and not by the inflated value which was an added result of imaginary interest rates.

Differing Prices

In this regard AL-QABAS has learned that the operation to define spot prices of the Gulf shares throughout the years of 1981 and 1982 is taking a great deal of work as a result of the glaring discrepancy between the prices of the shares in those days.

Because of the deals of the officials charged with preparing the list, some investors have tried to unravel the intricacy of the debt payments between themselves through a specific basis they have agreed on, but when these men tried to determine the share price that was set for the transaction up to 22 May 1981 it became clear that the share price was recorded at one of the most prominent brokerage houses (on which the authorities relied in making its indexes of spot prices) at the level of 205 fils that day, while in the government records it was at 235 fils, and at another broker it was set at 202.5 fils. These differing prices are fertile ground for the disagreeing viewpoints of investors who have been trying to settle affairs on their own. From this point

of departure the issue of setting spot prices of the shares requires that the two men drafting the list apply a great deal of effort, integrity, impartiality, and frustration in order to extract a median average price for every Gulf share for every day of the past 2 years.

Estimating the Value of the Dinar of the Bankrupted Investors

The second element that is missing in the latest solution and which obstructs the investigation measures has been to put a value to the dinar of the local residents who went bankrupt by the agency that is settling the shares transactions that were conducted by deferred checks, since this is tied directly to those men, including the 80 principal investors who are held accountable by all those who are most concerned with immediate settlement. Now these same investors do not know the fate of the firm's creditors, and consequently the fate of their debts to these creditors. As a result they have not been overeager to arrive at settlements where they must pay what they owe and they are not seeking their debts within this framework. This matter has brought about a sort of solution through the refusal to put the latest law into effect through the thorough examination of all the investors who are involved with the bankrupt individuals by strong financial bonds. Along with this, any settlement still has to be a comprehensive settlement that respects the rights that certain individuals [the royal family] have according to their obligations towards others.

Perhaps this knot in the mechanism of the new solution is the motive behind the authorities' campaign that began with the statements of the minister of trade and industry, Jasim Khalid al-Marzuq, and ended with the statements of the chairman of the arbitration authority, Judge Salah al-Fahd, all of which appealed to the investors to strive to complete a solution on the basis of the principle of restricting interests rates according to the text of the latest law (Edict No 100). However, what now appears clear is the response to the likes of these public statements will be a precursor, and authorities will not find any investor who is enthusiastic about them because he must pay back what he owes and the view he takes of the liabilities of the bankrupted men is a distasteful one. These bankrupted men number in excess of 127 individuals of both big and small investors with huge liabilities.

Out of this it appears that it is more worthwhile to unravel this knot instead of making public notices and statements aimed at the investors involved in this affair which they could disregard or overlook, especially since it is clear that people are not paying any attention to these public statements, indeed they are most inclined to dispute them according to the interests they consider similar to others' interests. Consequently the inevitable result is the refusal to make payment on any principal or interest due even if it was on net capital. What is not known now is what will happen with the money that is due? Will others carry on transactions with it according to the principles that it will operate with them? And what of the affairs of the bankrupted individuals who are now under arrest by the state, while it is responsible for settling their accounts and settling their debts with others.

Investors' Financial Centers

The third element is related to the investors' financial centers, whether they went bankrupt or not. The obscurity of these centers forms an obstacle to the implementation of any spontaneous solution that lacks the force of law because the law delimits a ceiling above which the level of yearly interest rates cannot go, so that they do not exceed a ceiling rate of 25 percent per annum. At the present time investors have been left tremendous flexibility in discharging their obligation outside of this level in accordance with the solution of each investor for his financial position. Naturally some people do not want to pay the highest ceiling rate of 25 percent. This flexibility has created an open field for swindlers. And the investigation into a way to reduce financial assets out of an attempt to affect a settlement on the basis that is well below that ceiling is being undertaken in light of the absence of any restriction or schedule or even a public financial center (this in the view of the authorities charged), so that it enables the investors who will be able to recoup less than 25 percent to know that their debtors will definitely not be able to pay at the ceiling level. The state of doubt will continue to exist amongst all investors who have been split into two contradictory camps: One camp that wants to pay are now trying to exploit the loophole or the flexibility in the clause which restricts the interest rates as appointed by the law, and which consequently wants to pay what it owes at less than this level; and in the other camp those who want to collect what is owed them in accordance with the principle of the 25 percent ceiling.

A large group of investors are prominent here who will pay and will collect at the same time which means that this group is split on both sides when it comes to satisfying their interests in collecting at the 25 percent level. When faced with payment they want the lowest level while others will try of course to get restitution. Thus it seems that there is still lots of time to implement the clauses of the new law which, as it seems, needs some more legislation and accompanying measures to cure itself of the three loopholes mentioned above. This is true if there are no new or additional loopholes found while the new law is being implemented.

9587

CSO: 4404/16

BRIEFS

KUWAIT FOOD AID--Kuwait will give Gambia 18,000 tons of rice, to aid the population of this country, located in West Africa. The population numbers some 600,000. The Kuwaiti Foreign Ministry said that the rice, which will be supplied to Gambia through the World Food Program, is a gift from the Kuwaiti Fund for Arab Economic Development. [Text] [Al-Shariqah AL-KHALIJ in Arabic 30 Sep 83 p 6] 7005

CSO: 4404/60

DEMANDS OF CONTENDING FACTIONS OUTLINED

Paris AL-MUSTAQBAL in Arabic No 345, 1 Oct 83 pp 14-16

[Article by Shukri Nasrallah: "Men...the Last Solution"]

[Text] Only three options were discussed in the past 3 weeks; that of the 10-member committee was chosen. Kamil al-Asa'd and al-Wazzan were excluded from the committee.

Using Lebanese mediators Israel proposed to the government of Lebanon that it [that is, Israel] wage war against Syria in return for the public appearance of President Jumayyil and Shamir and the demarcation of the Lebanese-Israeli borders.

The telephone rang in Lebanon's presidential palace in B'abda last Sunday night. King Fahd ibn 'Abd-al-'Aziz was on the line. The king told President Amin al-Jumayyil, "Congratulations over the cease-fire. We hope that our efforts will prove to be beneficial for Lebanon, for the Lebanese people and for the Arabs. By the way, I would like to inform your excellency that the Kingdom of Saudi Arabia is putting all its energies, its fortunes and its resources at the service of all the Lebanese people in order to deliver them from this ordeal which has become intolerable."

A short while after this telephone conversation U.S. President Reagan also called to congratulate President al-Jumayyil over the cease-fire. President Reagan said that he hoped Lebanon and the Lebanese people will overcome this ordeal, and he promised President al-Jumayyil that the United States would do everything it can to make this cease-fire a lasting one, to bring about national reconciliation, to make the government of Lebanon extend its sovereignty over all the territory of Lebanon and to bring about the withdrawal of foreign troops.

At the same time Mr 'Abd-al-Halim Khaddam, Syria's minister of foreign affairs was announcing in Damascus that all the parties to the dispute had reached an agreement on a cease-fire in Lebanon. Mr Khaddam hoped that agreement would be final and that it would unite the Lebanese people and stop the bloodshed. Mr Khaddam called the cease-fire agreement "historic."

Ten hours after these telephone communications, that is at dawn on Monday, 26 September 1983, the cease-fire went into effect all over Lebanon. Fighters sighed in relief, and an evacuated Lebanese woman wondered moanfully, "Why then did all

this happen?" She went on to exclaim, "May God punish those who were behind all this!"

A cease-fire agreement in Lebanon was thus reached between all the feuding parties. The agreement was reached after all the parties realized that guns could not solve those matters that were pending.

History will bear witness to the fact that the credit for this tremendous accomplishment belongs to three people. They are King Fahd ibn 'Abd-al-'Aziz, President Ronald Reagan and the [two-man] Saudi delegation which was made up of Prince Bandar ibn Sultan and Mr Rafiq al-Hariri.

Why are we making this statement about those people?

Because Lebanon knew that only two people could do anything for Lebanon. Those two people are King Fahd and President Reagan. A senior Lebanese official who asked us not to identify him said that Washington had informed President al-Jumayyil that it could not do anything for Lebanon without the approval and the blessings of King Fahd ibn 'Abd-al-'Aziz, that is, [Washington had to have] the approval of the Kingdom of Saudi Arabia.

[We asked], "Why?"

[The senior Lebanese official said], "Because Washington wants an Arab cover for its efforts in Lebanon, Saudi Arabia and King Fahd personally provide the Arab cover which the United States can rely on. The United States informed us of this in no uncertain terms through mediators."

"Did King Fahd offer that cover," [we asked].

"Yes. The efforts that were made by Prince Bandar and by Mr Rafiq al-Hariri, acting on behalf of the kingdom, and the promises they made on behalf of the king and the kingdom are only part of this mediation effort. Accordingly, those efforts and promises are part of this cover that the kingdom offered [in return for] U.S. support for Lebanon."

What happened in Lebanon in the past 3 weeks? Who was fighting whom?

First of all, we must determine who are the parties to the dispute in the war that was fought in Lebanon in the past 3 weeks. The roots of this war go back for the past 8 years.

The parties to the war in Lebanon are domestic and foreign. The domestic parties are the Lebanese Forces, the Socialist Progressive Party and the Amal Movement. The foreign parties are Syria, the United States of America, the Soviet Union and Israel.

What does each party want?

--Walid Junblatt wanted [the following]:

1. He wanted the Lebanese Forces to leave Mount Lebanon and the area of al-Shuf in particular, which is the area claimed by Junblatt's sect. It is the area where Junblatt exercises his influence.

2. Junblatt did not want the Lebanese army to go into Mount Lebanon before the reconciliation, that is, before an agreement is reached over a new formula for an inter-Lebanese dialogue.

3. Junblatt was asking for a number of domestic reforms. These came to be known as the 10 demands. One of these demands was for the ouster of some employees. Junblatt's real demands, however, can be summarized in the first and second points [that were just made]: that is, reconciliation then the entry of the army in Mount Lebanon.

After that, when war broke out, Junblatt's demands grew. In fact, it may be said that those demands were out of his hands.

--The Lebanese Forces: Among the demands that were made by the Lebanese Forces were [the following]:

1. The Lebanese Forces wanted control in Mount Lebanon equal to Junblatt's because there were Christians in Mount Lebanon and not only Druze and because the Lebanese Forces thought they could speak for the Christians. But that was not quite correct. The Lebanese Forces intensified their demand for a presence in Mount Lebanon and added to that demand another one: they wanted to share political influence with Junblatt. They wanted 60 percent of that influence; Junblatt and others would have 40 percent.

2. The Lebanese Forces wanted their presence in Mount Lebanon to show that they were a Lebanese force of some consequence. They wanted the government to give them a proportionate share of everything, that is, proportionate to what they own or to the territory they control.

3. The Lebanese Forces wanted to prove to Walid Junblatt himself that he was no longer one of the most important lords of Mount Lebanon. They wanted to prove that limits had to be placed on the feudal estate of the Junblatt family; they wanted to prove they were the only ones capable of setting those limits.

4. At the same time the Lebanese Forces wanted to seize for themselves the Maronite leadership in Mount Lebanon which had belonged to [former] President Camille Sham'un and his party, the Liberal Party. They would thus be implementing that policy which professes that the time had come for putting an end to traditional Lebanese leadership.

--The Amal Movement is the movement that calls itself unofficially the Movement of the Dispossessed. It is in fact a movement of the dispossessed in the sense that the sect with which this movement is affiliated, the Shi'ite sect, is treated unfairly in the Lebanese state. The Amal Movement wanted [the following]:

1. The Amal Movement wanted an adequate and an appropriate share of official positions [in government].

2. The movement wanted the government to put an end to the excesses of the members of the Lebanese Forces in West Beirut and in the southern section in particular.

Briefly, these are the demands of the domestic parties to the war in Lebanon.

The demands made by the foreign parties to the war in Lebanon may also be summarized as follows:

--Syria wants Lebanon to become a sovereign, free and independent country, but not at its expense and the expense of Syria's security. In other words, Syria does not want Lebanon to have a unilateral solution with Israel that would jeopardize the security of Syria and bring Israeli lines closer to the Syrian borders.

On the other hand, Syria is making demands of the international community. It is demanding that the international community, which has set itself up as the protector of democracy and justice in the world, work with the weak countries to help them achieve democracy and justice. Since Israel has been violating this human justice by occupying Syrian territory--besides occupying other Arab territory--the international community is to stand alongside Syria in its battle to liberate its territory from the Israeli aggressor.

Because the international community paid no attention to Syria, Syria proceeded to use Lebanon to shake up that international community. It backed the so-called Lebanese left and gave it its support.

--Israel does not want the Arabs to rest because rest for the Arabs means unrest for the Israelis. While the Arabs and the international community are not paying attention, Israel also wants to hold on to all the occupied Arab territory in addition to south Lebanon. In order for the international community not to realize the justice of Arab demands for regaining their occupied lands, Israel resorted to [activities to] turn the Lebanese people against each other, and Israel can do that. It armed some Christians and suggested to them that it supported their demands. It armed some of the Druze and led them to believe that it will support their cause till the end. Since the Lebanese people are oppressed, having just come out of a horrible war that caused them to lose their nerve and their minds, they got caught in the Israeli trap and they began vying with each other to serve Israel with what they are doing now. They have been doing that for exactly 8 years.

--The United States wants the Middle East area with its resources and its people to remain an area of U.S. influence which the Soviet Union may not penetrate. In order to keep the Soviets away from the area, the United States hastily formulated solutions for peace between Israel and some of its neighbors--Egypt and Lebanon. The United States succeeded in formulating these solutions, but it lost [the support] it had among people and nations.

--The Soviet Union, which may be described as gloating over all these misfortunes, may be considered the biggest winner. The Soviet Union wants first of all to return to the area after having been driven out of the area in the seventies by the United States. Second, the Soviet Union wants to return to the Middle East as a partner in formulating a solution and in [assuming the burden of the area's] concerns as well; the Soviet Union does not want to return as a spectator. Third, the Soviet Union wants to establish a foothold for itself on the

shores of the Mediterranean. This is something that the Kremlin has dreamed about ever since the days of Peter the Great. To preserve its prestige and its reputation and in keeping with its demand to share influence in the Middle East, the Soviet Union set out to support everyone who opposed the United States in the area. Furthermore, the Soviet Union threatened it would actually take part in any war that its allies would lose or that might threaten their forces operating in the area.

These are also briefly the demands of the foreign parties to the Lebanese crisis.

Because the Lebanese people are oppressed, they fell in the trap [that was set for them]. They carried out the policy set by enemies, and they killed each other. When the level of bloodshed became intolerable, the Kingdom of Saudi Arabia offered to help find the necessary and permanent solution to this problem whose proportions have exceeded all expectations. Saudi Arabia's offer of assistance was accompanied by an Arab blessing.

The Kingdom of Saudi Arabia sent both Prince Bandar ibn Sultan and Mr Rafiq al-Hariri to Damascus and to Beirut. When Beirut Airport was shut down, the two Saudi representatives used Larnaca in Cyprus as a rendez-vous point during their jaunts from Damascus and Beirut. Three weeks ago Prince Bandar and Mr al-Hariri shuttled back and forth between Beirut, Damascus and Larnaca. They made more than 30 trips. They would propose to Damascus a proposal for a solution, then they would travel to Beirut to present that proposal to Lebanon's President Amin al-Jumayyil.

An informed Lebanese source said that the talks were centered around only three proposals for a solution and that one would be chosen and approved. These three proposals were tantamount to three options that were presented to the Lebanese and to the Syrians so they would choose which one suited them. These options were:

1. The first option consisted of the following items:

--A meeting was to be held between the following parties: the Lebanese government and the opposition.

--There would be 10 persons on each one of the two teams, and each team would constitute a discussion committee that would take it upon itself to find a political solution to the Lebanese crisis.

Lebanon rejected that option because it made the Lebanese state a party in the dispute, and that was not the case. Lebanon considered the war a war between the Lebanese Forces and the Socialist Party, both of which were not complying with the authority of the state.

2. The second option stipulated the formation of a discussion committee that would be made up of the following parties whose names follow:

1. President Amin al-Jumayyil, chairman of this committee.

2. The three members of the Salvation Front: Sulayman Franjiyah, Rashid Karami and Walid Junblatt, [members].

3. The Amal Movement, represented by Mr Nabih Barri.
4. The Lebanese Front, represented by Camille Sham'un and Pierre al-Jumayyil.
5. Three independents: Sa'ib Salam, 'Adil 'Usayran and Raymond Iddih.

The Lebanese government approved this option, but it stipulated the addition of Kamil al-As'ad, speaker of the Chamber of Deputies, and Prime Minister Shafiq al-Wazzan to the group. It was on the basis of that option that the cease-fire agreement was reached later. But al-Wazzan and al-As'ad were left out of the committee. Prime Minister al-Wazzan resigned later.

3. The third option involved a Syrian proposal which stipulated the formation of a steering committee for Lebanese reconciliation. The committee would include [the following]:

1. The Salvation Front
2. The Lebanese Front
3. The Amal Movement.

The Lebanese government approved the formula for this proposal, but it stipulated that the names of the members of this committee be announced in advance. It asked that 'Adil Usayran, Sa'ib Salam and Raymond Iddih be added to that committee.

The dispute over the names and persons who would make up these committees continued to be intense until an agreement was reached over the second option, and the cease-fire went into effect last Monday at dawn.

Why did the Lebanese government approve some of these choices and reject others?

The senior Lebanese official who had asked not to be identified said, "Lebanon did not have the freedom to act. We had to review all the possibilities. We had to consider in particular who were our allies and who were our enemies. We also had to consider what we had to do. We had to think about what would be best for Lebanon. The following information was available to us:

1. The western allies were not allies in the real sense of the word. They were rather friends who volunteered to send us a number of their soldiers to help us achieve security in liberated Lebanon. Those are in fact the multi-national forces, specifically the Americans and the French.

The Americans stood by us with all their power. They bent over backwards to help us maintain the resistance of the Suq al-Gharb Front. They also supplied us with weapons and materiel. I can state to you that the weapons and materiel that the United States offered us in the past 2 weeks exceeded by far what the Nixon Administration offered the army of Golda Meir in the 1973 war to bring that army out of defeat and then to a middle stage [between defeat and victory], and from there to victory. We received by means of the air lift that the United States set up between Lebanon and the United States weapons and materiel that were carried on close to 230 huge Hercules cargo airplanes.

The Lebanese official went on to add, "If you want to compare figures, you can picture in your mind that the Lebanese army fired more rounds of artillery in one night than the U.S. army used to fire [in one night] in the Vietnam war. The Americans used to fire about 2,200 rounds of artillery in 1 night on the entire Vietnamese front, but our soldiers in Suq al-Gharb were firing about 4,000 rounds of artillery in 1 night."

The official concluded by saying, "But the United States did not want to do more than what it did. It had promised not to allow the front at Suq al-Gharb to fall, and it had promised not to expose the government and its army to danger. The United States did that, but it declined to do more."

The French have been and are still with us and with President Amin al-Jumayyil. France believes that Amin al-Jumayyil is the only choice for Lebanon and that if anything were to throw the president or Lebanon off balance, the entire area will become unsettled. The French fought to defend their own fighters, but France never wanted to fight a war for our sake unless Lebanon were being threatened with partition or with the overthrow of the government.

The British and the Italians are also with us. They offered us a great deal of support. But like the French, they seem to be saying, "This is your war; we will not interfere to settle it."

The official source said, "On the basis of these given facts, we had no one to turn to but the United States and the Kingdom of Saudi Arabia. The United States told us publicly and unequivocally, 'We cannot support your position without the approval of Saudi Arabia. Consequently, the aid we will offer you will be the aid that Saudi Arabia advises us to offer you.'

"Hence," said the source, "the importance of Saudi mediation developed. It was tantamount to the last Arab hope after all solutions and mediation efforts had become hard to find."

The source added that that too did not go by without Israel's involvement in the action. "Using individuals, delegations and messengers Israel used to send us a formula for assistance every day. All of these may be summarized as follows: Israel would help us win the war against Syria and the local parties, provided the following would be achieved:

"1. A public, face-to-face televised meeting between President Amin al-Jumayyil and Yitzhak Shamir.

"2. Everything that happened in al-Shuf and 'Alayh could have been avoided if the Lebanese were to agree to sign the agreement.

"3. Israel would guarantee us impenetrable borders in return for Lebanon's recognition of Israel and of its new borders--the Israelis may have extended those borders to al-Awli River!

"Naturally," said the source, "we turned down this Israeli [offer of] assistance in advance. We did not even consider responding to it or considering it because we regarded it an impertinent intervention in our internal affairs."

The words of the Lebanese official ended here.

What remains [to be said] is that we have to conclude that the cease-fire which went into effect last Monday at dawn was an achievement that ought to give us considerable pause. A crucial point had been reached. Not only did it put an end to the internecine struggle within Lebanon, but it also prevented the outbreak of a brutal mini world war that would have put an end to what is left of the country. All information affirms that if two non-Lebanese forces had clashed on Lebanese territory last week, that clash would have meant a war whose outcome no one would be able to predict.

And what is the result [of all this]?

The result [of all this] is that this horrible war taught the Lebanese people a lesson. The summary of that lesson is that the war of the past 3 weeks proved without any equivocation the following matters:

1. It proved that the Lebanese Forces was a small, adventurous military group that crossed the red line and was opposed by the world. Thus, it lost.
2. It proved that the Druze were a small and adventurous military force that tried to control an area of Lebanon by force. The Druze crossed the red line, and they were informed in one way or another that such a violation was impermissible. Therefore, they lost.
3. It proved that the attempt made by the Socialist Party on the one hand and by the Lebanese Forces on the other to impose over Lebanon the authority of a single party was an experiment full of danger and doomed to failure. Thus, both parties lost that objective.
4. This war proved that no party from within Lebanon or from abroad can control Lebanon unless it does so within Lebanon's constitutional institutions, that is, within its legal government. It is for this reason that the multi-national forces fought more than one battle to avoid tipping the scales against the legal government. Despite the death and destruction, it should have been clear to the whole world that the legitimate government is Lebanon's only support.
5. Finally, this damnable war proved that Lebanon does not live by a formula of the conqueror and the vanquished, but that it rather lives by the formula of no conquerors and no vanquished, even though the price the Lebanese people had to pay to discover this well-known self-evident fact was very high. It almost cost the Lebanese people the country itself.

There are those who say that the coming days will bring about political liberalization the likes of which Lebanon has never seen before. When he was in the bunkers of the Lebanese army in Suq al-Gharb to celebrate with his soldiers the first anniversary of his election president, President Amin al-Jumayyil had said, "Today, a new Lebanon is being born."

What Lebanon is this that is being born today?

It is a sovereign, free, independent and Arab Lebanon. It is the cultural bridge

It is a sovereign, free, independent and Arab Lebanon. It is the cultural bridge between the west and the east. It is Lebanon, the country of no conquerors and no vanquished.

However, a 40-year old woman exclaimed moanfully when we read that statement to her. That woman said, "Was all this blood and were all those tears and destruction required to come up with that slogan?"

8592

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RECENT CURRENCY SPECULATION TRENDS DISCUSSED

London AL-HAWADITH in Arabic No 1402, 16 Sep 83 p 53

[Article by 'Adnan Karimah: "War of Jabal Lubnan Reflects Role of Banks; Lebanese Abandon the Pound; Speculators in the Dollar Are Motivated by Politics!"]

[Text] The Lebanese have become used to watching for changes in the exchange rate of the Lebanese pound--especially relative to the main currency, the American dollar--whenever a security-related development takes place. It is a matter of course for all Lebanese to know the value of their country's currency and the various assets and wealth they possess, as well as the value of the accounts and deals arising from their commercial activities. This is because every country's currency is a reflection of its general economic status and the extent to which it is affected by political and security developments.

In June 1982 during the Israel invasion, the exchange rate of the dollar reached a record high of 5.15 pounds. The reasons for this are well known and are attributable to political and security developments, which were directly related to the invasion and its effects on the country--especially since Lebanon [at that time] was embarking about to take a big political step embodied by the election of a new president. During this period, Lebanese abandoned the Lebanese pound and flocked to the dollar. The percentage of foreign deposits reached some 45 percent (19.5 billion pounds) of the total 43.3 billion pounds on deposit in the banking system versus 55 percent in Lebanese pounds. Economic experts described this high percentage of foreign deposits as a threat to the position of the national currency.

Following the election of the late President Bashir Jumayyil and the subsequent election of the current President Amin Jumayyil, there were a number of positive signs that strengthened the hopes of the Lebanese that deliverance was near. In addition to political signs, economists and businessmen pondered at length and with great interest the economic indications that emerged as economic delegations from various American, West European, and East European countries descended on Lebanon to exhibit their products and their economic, financial, and technological capabilities to help Lebanon carry out its reconstruction projects.

There was stiff competition among the foreign companies to grant concessions for the financing of these projects and gain the largest possible share of the reconstruction work.

As a result, capital flowed in from abroad--mostly from Lebanese working in Africa and the Arab countries, who wished to invest in Lebanon during the coming phase. Demand for the dollar increased to meet the demands of importation as merchants hurried to avoid customs fees by smuggling in goods before legal authority could be restored to the ports. But despite this fact, the position of the pound strengthened and the exchange rate of the dollar dropped to just under 4 pounds before the end of last year and to 3.8 pounds in January. The situation was reflected in the role of the Central Bank in ensuring the stability of the national currency. Whereas the bank had formerly been intervening to sell dollars in order to shore up the value of the pound, it now intervened to buy dollars with the aim of checking the rise in the value of the Lebanese currency. Because of the fluctuations in the exchange rate, many speculators sustained heavy losses while others made substantial profits.

Allowing for differences in bank rates, the banking figures showed the following developments:

--The percentage of deposits in Lebanese pounds increased to 70.7 percent of the 45.5 billion pounds on deposit in the banking system at the end of last year with a corresponding drop in the percentage of foreign deposits to 29.3 percent. This indicates that Lebanese were returning to the pound, to the extent that some businessmen bet on the continued strength of the Lebanese pound with respect to the dollar, despite the fact that the Central Bank was forced to work continuously to hold back the rise in the pound's exchange rate.

--Net banking debts to creditors abroad decreased from 21.9 billion pounds in June 1952 to 18.5 billion pounds at the end of the year, but this development was accompanied by a substantial change in the distribution of these debts, as follows:

First, the net debts of the commercial banks declined by a large percentage from 14.1 to 8.2 billion pounds. This means the return to Lebanon of approximately 6 billion pounds of the bank's funds deposited abroad.

Second, the net foreign debts of the Bank of Lebanon increased from 7.8 to 10.3 billion pounds. This increased the bank's share of the total net foreign debt from 35.5 percent to 55.8 percent while the share of the commercial banks declined.

These figures indicate that some 45 percent of the banks' funds on deposit abroad in foreign currencies--especially dollars--returned to the Beirut market and contributed to the strengthening of the pound's position, although the intervention of the Central Bank to buy dollars led to an increase in its foreign assets.

Thus, the second half of last year--or at least the last month--was filled with positive signs. But what happened in 1983?

The year began with two factors that were among the most important factors that played a role in the countdown for the Lebanese economy--if it can be called such--and for the exchange rate of the Lebanese pound.

The first factor is that the Lebanese-American-Israeli negotiations, the accompanying developments, and the resulting agreement brought to light certain positions that affected Lebanon's relations with the Arab world. This contributed to a reduction in the influx of Arab funds into Lebanon for both investment and the purchasing of Lebanese products as well as three-way business deals.

The second factor is the development of incidents in the Jabal, the results of which, observers agree, hold the key for the fate of Lebanon.

In addition to the world recession and the OPEC crisis, the Lebanese economy has experienced a recession never before matched in the war years.

To determine the results, one can return to the banking figures, noting that differences in bank rates must be taken into account. Bank deposits increased from 45.4 billion pounds at the end of 1982 to 51.7 billion pounds in June 1983. This increase was distributed as follows:

--Despite in Lebanese pounds increased from 32.1 to 35.8 billion pounds, although they registered a decline relative to all deposits from 70.7 percent to 69.2 percent.

--Deposits in foreign currency increased from 13.3 billion to 15.9 billion pounds. Consequently, their percentage of all deposits rose from 29.3 percent to 30.8 percent. This indicates a renewed trend away from the pound in favor of foreign currencies--particularly the dollar.

The net foreign debts of the banks rose from 18.5 billion to 20.1 billion pounds. It was observed that this increase developed differently from the increase in the second half of last year.

The net foreign debts of the commercial banks increased from 8.2 to 10.2 billion pounds and their share of all debts rose from 44.2 percent to 50.7 percent. This means that the commercial banks were forced by security developments, political developments, the economic recession, and the shortage of investment opportunities to increase their deposits abroad.

In contrast, the net foreign assets of the Bank of Lebanon dropped from 10.3 billion to 9.9 billion pounds. This is a relatively small drop, but it does reflect the role of the Bank of Lebanon, which on this occasion intervened in the Lebanese market to buy dollars in order to maintain the value of the Lebanese pound.

As a result of all these factors, and aside from the dollar's strength in world markets, the exchange rate of the dollar inevitably rose from 3.83 pounds in January to 4.17 pounds in March and 4.50 pounds in June. After this it was left to fluctuate according to security and political developments. It reached 4.85 pounds when the Beirut Airport was closed due to the bombing of the runways in late August, and then rose to over 5 pounds after the recent incidents in Beirut and the southern suburbs.

Thus, the exchange rate of the dollar returned after about a year to what it was at the time of the Israeli invasion last summer.

But is it possible to predict how the exchange rate of the dollar will develop in the Beirut market?

Before the recent incidents, the number of observers betting on a rise in the exchange rate of the dollar rose because of the severity of the political crisis and security incidents. Some were wagering that it would rise to 6 Lebanese pounds, surpassing the mark recorded at the time of the Israeli invasion. Others were more cautious in their expectations, which pointed to the possibility of speculating on 5 pounds on the way up and on the way down. Perhaps the speculators on the exchange rate of the dollar were not so far removed from the politicians who speculated in political and security developments. Both groups have become accustomed to this "game" over a period of some 8 years. Naturally, there were winners and losers. However, the losses did not hit the big speculators. In the end, it can be pointed out that the exchange rate of the Lebanese point is strong economically and weak politically and in terms of security. But, however, much it weakens because of political and security defects, it will inevitably be shaken like a (shock absorber) after strong pressure. But whom will the speculators allow to do that?

8591

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REDUCED OIL REVENUES NOT IMPEDING PROGRESS, DEVELOPMENT PROJECTS

London AL-MAJALLAH in Arabic No 188, 17-23 Sep 83 pp 45-46

[Article by Nabil Habib Mujalli: "Oman: Reduced Oil Revenues Will Not Affect Development"]

[Text] It is difficult for a visitor to Muscat to notice any effect of the recent drop in the oil revenues on which the Sultanate of Oman relies for no less than 80 percent of its annual revenues. The capital of Oman teems with life and with the signs of economic activity, despite the summer holidays season. Workers are busy day and night building the overhead bridges project, which will be completed in a few weeks, to take some of the load off streets that are jammed with vehicles. In the border areas with Saudi Arabia and the UAE, there is increased activity by hundreds of farmers and fishermen who market their goods daily in these two sisterly countries.

Muhammad Musa 'Abdallah, undersecretary in the Omani Ministry of Finance, whom AL-MAJALLAH has interviewed, says that the sultanate's development projects have not been affected by the drop of 68 million riyals in oil revenues last year or by the expected deficit of nearly 207 million riyals this year, a deficit exceeding last year's deficit by 13.7 percent. The cut in spending has been confined to some spending rationalization measures. In fact, a number of projects have been added this year to the service sector and to the development plan. For example, a 300-bed hospital is being built and the pipelines supplying natural gas to industry are being expanded so that gas will replace oil derivatives, of which Oman had to import 64.5 million riyals' worth in 1980 to meet industrial and home fuel needs.

Oil revenues fell from 1.125 billion riyals in 1981 to 1.057 billion last year. As a result of the deteriorated condition of the oil market in the final months of last year, the budget deficit rose to 182 million riyals, 16 million riyals over what had been estimated originally, compared with a surplus of 139 million riyals in 1981. But the undersecretary of the Omani Ministry of Finance expects the situation to improve with the regained stability in the oil market, noting that Oman has no difficulty at present in marketing its crude oil production, which totals 350,000 barrels daily and which may be increased shortly by 20,000 barrels daily to exceed the record figure for Omani oil production in 1976. Oman annually spends no less than \$200 million on prospecting and development projects. The extractable reserves in the concession area of the

Oman Oil Development Company rose from 1.329 billion barrels in January 1976 to 2.484 billion barrels in January 1981.

Oman recently resorted to borrowing from world money markets to meet its short-term needs, obtaining in June a loan of \$300 million from a number of banks. On the other hand, Oman also relies on constant loans from the Arab development funds and from the Islamic Bank and on the credit facilities made available by suppliers from the industrial countries, such as Britain, the United States and Germany. The latter provide the major part of the credit obtained by the sultanate, amounting this year to 122 million riyals. Moreover, the government's intrinsic revenues from taxes and fees are growing, especially since the customs fees were raised by varying degrees as of the start of this year. It is worth noting that tax and custom fee revenues rose from 14 million riyals in 1978 to 35 million riyals in 1982. Customs revenues alone rose from 4.6 million to 14.7 million riyals in the same period.

Encouraging Investment

Practically, the existence of taxes on company profits in Oman is not considered an obstacle in the face of private sector investments or of joint Gulf projects, to which major hopes are attached. The investment law, as Muhammad Musa 'Abdallah says, exempts new companies from the income tax for a renewable period of 5 years and gives these companies the right to obtain interest-free loans and grants from the government. This applies to projects owned completely by Omani citizens and joint projects with investors from outside Oman. In 1980, the government set up a fund to which it allocated 135 million riyals so that it could advance during the second 5-year plan, which will end in 1985, interest-free loans to private sector production projects in the spheres of agriculture, fishing, industry, mining and quarrying. The fund will advance 16 million riyals of its capital in the form of grants. Authorities do not hesitate to encourage investment of all kinds, including supplying the companies with land, fuel, electricity and services at token prices and requiring the agencies concerned to make decisions on all projects presented by investors no more than 2 months after the application is presented.

The tax on company profits is collected only if these profits exceed 20,000 riyals annually. This tax ranges from 15 percent for companies in which Omani citizens own 51 percent or more of the capital to 20 percent for companies in which Omani citizens own 35-51 percent of the capital. As for companies owned totally by foreigners and not exempted from the income tax, other rates are applied. As noted by Muhammad Musa, all government revenues from taxes and fees are returned to the investor in the form of services and loans that altogether come to many times what the companies pay in taxes.

There are some agencies that help investors conduct project economic feasibility studies, such as the Oman Development Bank, in which the Abu Dhabi Fund and the Kuwaiti Commerce and Contracting Company participate with 10 percent each. Oman has conducted economic feasibility studies on 19 projects that it has offered to investors. More than 60 Gulf and Western firms have made offers to implement these projects. A decision on these offers will be made shortly. The projects include fish processing and freezing plants, plants to assemble

air conditioners and water pumps and a plastics complex. Last year, the first phase of the industrial zone in al-Rusayl was completed. The zone is being developed in three stages on an area of 90 hectares and at a cost of 21 million riyals. The main goal of this industrial zone, which is the first of its kind in the sultanate, is to provide the proper site and services at token prices to private- and joint-sector investors. The interest shown by investors from various countries of the world in investment opportunities in Oman has grown recently. Negotiations are currently under way with a number of U.S., Japanese and Indian firms that will enter the Omani market for the first time.

Growth Within Framework of Development Council

Muhammad Musa 'Abdallah also says that Oman devotes major attention in its economic development to the current and expected integration steps at the level of the Gulf Cooperation Council. He adds that Oman's request that eight specific industries be removed from the agreement on eliminating customs barriers, which went into effect a few months ago, was dictated by the need to protect these young industries in the sultanate from being completely destroyed. These industries are in vegetable oils, industrial detergents, cement and its byproducts, asbestos and its byproducts, light bulbs, car batteries, plastic products, polythene and dyes. In this regard, the Omani official asserts that economic integration does not mean that certain industries should be confined to a particular country. This does not happen even in the EEC, where there are plants that meet the local consumption needs in each country. In the case of the Gulf Cooperation Council, coordination is established and duality and harmful competition are prevented fundamentally through the governments, whereas the private sector, which is well known for its interest in investing in projects actually needed by the market, undertakes the task of organizing its various activities automatically.

Muhammad Musa says that the benefit to the Omani economy stemming from the establishment of the Gulf Cooperation Council will show up in many spheres and that studies are now focused on how to embark on the second phase of the economic integration in a manner that insures a greater degree of cohesion and uniformity among the member states. At the same time, progress toward a unified customs system--a main objective of the first phase--will continue so that the Gulf states can establish within a period of 3-5 years a unified customs policy whose objective is the growth of Gulf industries and the protection of this industry's products from foreign competition. He warns in this regard that the major world producers sell their products at two prices: a high price charged in some markets at the beginning of the annual transaction period and a price that is often below the cost price and charged in an attempt by these producers to dispose of their stores and to insure the continued operation of their plants at maximum capacity, even if at the expense of smaller producers in other countries.

Trade statistics in Oman show a large increase in Omani exports to the Cooperation Council member states over the past 3 years, especially to Saudi Arabia, where Omani exports rose tenfold from 1979-82, amounting to \$31.4 million [in 1982]. Muhammad Musa says that these statistics are much lower than the

actual figures because many Omani citizens market their products by truck daily in the Saudi and UAE markets. But the goods exchanged in this flourishing trade, which constitutes the main activity of a considerable number of Omani families, are not included in the official figures.

Foreign Labor

Regarding the ongoing discussion about getting rid of the foreign labor in the Gulf, Muhammad Musa says that reliance on foreign labor for a number of years to come is inevitable because available national cadres are not sufficient to carry on with the major development and construction advances made by the area in the last decade. The Omani official adds: "We have a long way to go before we attain self-sufficiency because the need for labor is growing annually in both the public and the private sectors, whereas the numbers graduated by the colleges and the vocational training centers constitute a very small percentage of the total need. Consequently, the importation of labor is inevitable and we must accept it as a matter of fact." He estimates the increase in Oman's labor needs at 8-10 percent annually, noting that the total number of workers now amounts to 450,000, of which foreigners constitute 36.6 percent despite the fact that Omani women have entered most administrative and economic activities. Oman, with the assistance of the World Bank, is setting up a manpower planning unit. It is also conducting studies with the knowledge of the vocational education and training agencies to estimate the sultanate's manpower needs in the coming years and to channel training toward the activities for which there is dire need. Despite the great expansion in the vocational training program and the interest shown by Omani citizens in such training, the graduates do not constitute any real addition to the labor market because the public establishments and the government agencies snatch them as soon as they graduate.

What is noteworthy in the statements of the Omani undersecretary of finance is that they coincide with similar statements issued in the UAE and Bahrain. In the UAE, a study conducted by the Ministry of Labor and Social Affairs expects the reliance on foreign labor to increase in the next 5 years and attributes this increased need to the diminishing number of citizens working in some sectors and their disinclination to enter other sectors. According to this study, the sphere preferred by the citizens is that government jobs, where the citizens hold 58 percent of all jobs, whereas their number in the building and construction sector does not exceed 2 percent and in oil-related industry, 3.5 percent. In Bahrain, Rashid al-Mir, the assistant undersecretary of finance for administrative affairs, says that extension of the current 4-year plan to 6 years will not greatly affect Bahrain's expectations that its foreign labor will increase by 4.5 percent annually.

Spheres of Investment

Oman is distinguished by being the second largest Gulf Cooperation Council member state in the area. There are no less than 39,000 hectares of cultivable land, the equivalent of 47 percent of the agricultural holdings, which are not being utilized. Moreover, there are nearly 1.5 million hectares of grazing land that could contribute richly, if utilized, to developing the

livestock resources of the Cooperation Council area as a whole. Oman is also distinguished by its 1,700-kilometer-long coastline, which overlooks waters abounding in rich fish resources, of which only a small part, about 60,000 tons annually, is now utilized. This is due to the need for private investments in modern fishing fleets, distribution networks and canning plants. The Government of Oman allocates 10-15 percent of its total development spending for agriculture and fishing. It also supplies agricultural machinery, fertilizers and fishing equipment to the citizens free of charge. It also devotes maximum attention to developing water resources and recently began construction of modern dams to store water in furrows to replenish its underground water resources. One can get some idea of the spheres of investment available by considering a number of facts, including the fact that 80 percent of the citizens are engaged in agriculture and fishing and that it is possible to market goods rapidly in the Gulf countries and in Oman itself, where food imports are still increasing. For example, the value of Oman's meat, dairy product and egg imports rose from 6.9 million riyals in 1975 to 25.7 million riyals in 1980. Projects proposed to utilize the wealth of the sea include a project to produce animal fodder and plant fertilizers from the sea weeds that is available in abundance. Moreover, marketing networks are another sphere to which the government is trying to attract the private and joint sectors, considering that it has proven by practical experience during implementation of the first 5-year plan, which ended in 1980, that there is a major need for these networks. Oman has also started to utilize its mineral resources, such as copper in the Sahhar area, where production started at the rate of 20,000 tons annually, thus making it possible to get up a copper piping and wire industry for which there is a big market in the Gulf countries, which are now expanding electricity programs. A geological survey of the northern areas and of Masirah Island has revealed the presence of other minerals, such as iron, manganese and nickel. Meanwhile, the actual mining of chromium in the areas of Rujmi and Nakhl is under way.

The main factor on which Oman relies in attracting investors is its political and economic stability under the leadership of Sultan Qabus, who has achieved for his country great economic and developmental accomplishments since he assumed power in 1970. The capital's unique location between a chain of rugged mountains is a constant reminder to the Omani people that they have opened their path through the rocks after a full century of stagnation, which dominated a country that has been famous since the dawn of history for its maritime and trade activity, which expelled the Portuguese from East Africa in the 17th century and whose borders reached Zanzibar at one time. The philosophy that Oman has chosen for itself is the philosophy of vigilant planning and of not wasting time. In some remote areas, students learn their lessons under the shadow of trees while waiting for schools to be built. In small villages, electrical plants with 1-kilowatt capacity are being put into operation until all parts of the kingdom are linked to a unified electrical grid.

BRIEFS

BAYT JALA MAYOR ON 'ARAFAT--Bayt Jala Mayor Farah Saba al-A'raj said that, following the Tripoli events, PLO leader Yasir 'Arafat and his close associates should go to Amman and settle there permanently so as to join Jordan in finding peaceful solutions. He expressed deep sorrow over the bloodshed in Tripoli and the refugee camps. Al-A'raj said that it should be clear that war brings damage and the time has come to look for peaceful solutions through negotiations. In his opinion this is possible only through ties with Jordan. According to him the Reagan plan gives the search for peace a great opportunity. [Text] [TA101208 Tel Aviv 'AL HAMISHMAR in Hebrew 10 Nov 83 p 2]

CSO: 4400/60

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

PROTOCOL WITH SOVIET JOURNALISTS--A protocol between the Yemeni Journalists Union and the Union of Soviet Journalists was signed today. The protocol will represent a new stage of cooperation between the two unions and relations between the governments and peoples of the two friendly countries. The protocol provides for exchange of official visits between the two countries. [Summary] [GF271219 Aden Domestic Service in Arabic 1630 GMT 25 Oct 83]

CSO: 4400/58

LABOR MINISTER DISCUSSES RETIREMENT LAW, ASIAN LABOR, PUBLIC SPENDING

London AL-SHARQ AL-AWSAT in Arabic 5 Sep 83 p 6

[Article by Amin Muhammad Amin: "'Ali ibn Ahmad Al-Ansari, Qatar's Minister of Labor and Social Affairs, to AL-SHARQ AL-AWSAT: Qatar's Retirement Law Is Ready, But We Are Waiting To Coordinate with the Cooperation Countries"]

[Text] In spite of the tranquility of life in Qatar, especially during the season of summer departures, the changes in life there, as in the other Gulf countries, are proceeding from within with greater force day after day; its fetures are changing, and the styles of life there are advancing and developing to keep up with time. Between the apparent calm and the constant inner activity, this meeting took place with Mr 'Ali ibn Ahmad al-Ansari, Qatar's minister of labor and social affairs. He received us, at the beginning, for ceremony's sake, but the meeting extended to a long working session which went on for more than an hour in his office in Doha. It began with the draft retirement law in his country and went on to cover the drafts consolidating the laws and coordinating them with the countries of the Cooperation Council, then the issue of labor coming into the Gulf, and women's work.

With respect to the new draft on retirement pensions for Qataris, which everyone has been impatiently awaiting in order to receive a suitable pension after retiring, Qatar's minister of labor and social affairs stated,

"The draft law is ready, now that the ministry's departments have finished preparing the articles and sections in it. However, we will not start issuing it until we present it, and other laws, at the coming meeting of ministers of labor and social affairs of the Council of Cooperation of Arab Gulf Countries, to be amended along with the other laws that have been issued and will be issued in this field, within the context of coordination among the laws of the council countries and their mutual amendment for the sake of a lofty goal, which is to unify the laws at a subsequent stage of council activity. Therefore, hastening now to put it out is not at issue."

[Question] What, however, are the most important features of the Qatari draft and the recommendations which it will bring to the Gulf countries?

[Answer] The retirement laws differ from one country to another, as far as the ratios of worker, employer and work entity contributions and government support for them go. This of course is reflected in the amounts the person on retirement gets, in accordance with the period of his participation and his years of service. For example, in the fraternal Kingdom of Saudi Arabia there is a good retirement law, while there are some council countries which have not yet thought about creating a retirement law for the people working in them, and others which like us have started to prepare the law and its executive steps, such as Oman. Therefore it is necessary to effect coordination between the laws that exist now and the laws that are anticipated, in view of the benefit that will bring people in the council countries. This will be spelled out by the next meeting of ministers of [social] affairs of cooperation countries, which will be held toward the latter part of next March.

[Question] Proceeding from the policy of coordinating council country laws in various areas, will the next meeting of ministers of social affairs and labor discuss other laws?

[Answer] Of course it will discuss labor, social insurance and other laws that have been set out on the social and labor contexts.

[Question] Will the ministers discuss the issue of labor coming from abroad, especially Asiatic labor, in detail?

[Answer] It has been observed that the talk about this issue has been widespread in the recent period, to the point where it has become the subject of the day among some people. Unfortunately, we have not arrived at decisive solutions for it for a number of reasons, most important of which is that we are a new emerging developing country which is in urgent need of labor from abroad which can participate with us in the ambitious development plans that we are establishing in various areas, which indigenous manpower is not able to carry out by itself, first, because of its small size, and second, because of its scanty experience in certain areas we need. In the face of that, we have had no alternative to opening our country's doors to labor coming in from various Arab, Islamic and friendly countries of the world.

[Question] However, some people are demanding that Asiatic labor be limited, now that its problems and negative effects in the area have proliferated, and they are demanding an expansion in the creation of job opportunities for Arab labor.

[Answer] The demands of development in the Gulf countries in the past were ambitious and numerous, and were based on advanced technology. Therefore it was difficult to provide labor in areas where one or two Arab countries have surplus workers. At the same time, these countries essentially need the workforce their own people provide. In another area, the Gulf countries have relations and friendships with certain Asian and Islamic countries, such as Pakistan, which support all our Arab rights and causes, and there are some Asiatic countries with which our peoples have longstanding ties, such as India. In order to preserve these good relations, it has been necessary that we open the doors of the Gulf countries to friendly Asiatic labor.

The proof of the success of this policy of good neighborliness and good relations with the peoples of the Asiatic area in which we live is the support we get from them for our causes in international organizations. The plainest example of that is what happened some time ago, at the latest meeting of the International Labor Organization, when some African countries refrained from supporting the Arab resolution condemning Israel. In the face of that, the draft resolution collapsed, although our Arab efforts and movements before the holding of the meeting got the resolution into the first section, among the organization's resolutions.

In the light of this actual experience, I can tell people who call for the elimination of the Asiatic labor in the region that if we lose our African and Asiatic friends, what support will we have left? We have to live with the world as a single family, without discrimination. We must be of use and derive benefit at the same time. I can say to the people who are being impulsive on this issue "You will have to wait, and take a realistic view of the course of affairs." I can say this bluntly: essentially, some major industrial countries which have been given anxiety by the great progress that some Asian countries such as Korea, Japan and so forth are witnessing, and their invasion of their markets and their competition, are behind this call to throw the Asiatics out of the Gulf countries. In the face of it, they have launched a full-scale war to damage the interests of the Asian countries. Part of this damage is their presence in the Gulf countries, through the labor and goods they produce, which they market in the countries of the area. Of course, when I say this, this does not mean that I am encouraging and supporting the presence of deviant, bad labor. Rather, everyone must honor the laws and bills of their host countries. At the same time, the presence of the Arab labor in the Gulf countries is necessary, because the Arabs' interests are everyone's interests. However, at the same time we must also keep the good labor of Asian and other countries which is necessary for our needs and requirements.

Why Have We Reduced Spending?

[Question] If this is the situation, why have some countries in the area, among them Qatar, declared a reduction in the volume of the labor coming in, and have actually started sending large numbers of workers away?

[Answer] First of all, as far as Qatar goes, there has not yet been a specific percentage reduction in the surplus labor here. However, what is needed, in the light of the circumstances of the austerity policy and the reduction in spending the countries of the area are experiencing as a result in the drop of oil revenues and the limitation on production, whose effects have been reflected on the basic budget revenues of the countries in the area, is for us to reduce our volume of expenditures, especially now that most of our countries have completed their basic development projects, for which they needed a greater percentage of immigrant labor. Now, however, we need a lower percentage, with the preponderant use of machinery and the fact that numerous citizens have been put in various job areas.

Therefore, this development is a natural situation and a reaction which has reflected our economic situation, which requires caution and spending on

necessary, basic matters. On the other hand, I would like to state to the industrial countries that created the oil crisis and sought to reduce the oil prices and the volume of our production which is imported to them and which they put in storage, that they have been and will be the most affected by what they have ventured to do, since the proportion of what their factories export to us, and equipment, will decline as a result of the drop in our revenues. Even their technical labor which has come here and is present in our country has also been affected, but what the West must know is that while we will be able to resist, guarantee and reduce the volume of our ambitious projects, life in the Gulf will not come to a stop.

[Question] In the light of these circumstances and variables, is there a specific percentage of workers who have been asked to have their services in Qatar terminated?

[Answer] There is no specific percentage, but there are committees which are making a count of all the workers and projects in the country and seeking to reduce the percentage of labor that is surplus to requirements in a manner that will be in keeping with the country's economic situation. For example, the numbers of people working in some departments have been reduced even though we are a ministry of services, and new positions which we have all asked for have been frozen, as well as new appointments, on top of a general reduction in spending. These are some of the wise austerity policies aimed at balancing our incomes and expenditures, so that we will not be compelled to borrow from abroad. This, in my view, is a normal result, indeed a practical development, arising from the drop in the country's daily oil production from 530,000 to 280,000 barrels, as at present, and the drop in oil prices from \$34 to the current \$29, at a time when the government's projects, services and aspirations have declined, alongside its foreign commitments to the Arab world and fraternal and friendly countries.

Visa and Residence Laws

[Question] In light of the state of austerity and the drop in the percentage of immigrant labor in the country, will visa and residence laws and procedures be amended, as happened in the emirates, to make bonds nontransferable and impose the condition of a 6 months' absence in the case of people who have finished working for their guarantors?

[Answer] It is natural that there should be coordination among all the countries of the Gulf in this important, vital area. Therefore, coordination measures are now taking place so that all the laws and bills in effect in the countries of the area may be studied, for the sake of creating coordination among them through the Secretariat General of the Cooperation Council countries. Among the recommendations presented is the fact that it should be prohibited to come back in not for a period of 6 months but rather for a period of 2 years, and the prohibition will cover all the Cooperation Council countries.

As far as we in Qatar are concerned, we are applying the decree prohibiting people whose work and residence have been completed from coming back in. There is a higher purpose in this, which is to protect the domestic

interests of the country, because, frankly, we all are human beings; everyone has come essentially for money and to make the greatest amount of money as quickly as he can. In the face of this, we have found many cases of temptation, indeed speculation, in the labor market, where the employer will give a guarantee in order to bring the worker from his own country and agree with him over a specific wage, and then the worker comes and lives with him for a while, then someone else tempts him with a higher wage, and he leaves his guarantor, who has endured a great deal for his sake, and goes to someone else.

Thus, the cycle has kept on over the past years, and this has had an effect on many projects which were suspended and resulted in losses for many employers, as well as increases in the numbers of laborers coming in and residing illegally in the country. In the face of that, it was necessary that the Qatari Interior Ministry decree be issued, stating that all the people who have come to the country and left their jobs leave the country and not be permitted to come back until 2 years have elapsed. As regards the consolidation decree, and the fact that the prohibition decree will include all the countries of the Gulf, that in my opinion is also a sound measure, because from the standpoint of practical experience in past years it has also happened that contractors would bring in laborers from a country and after a while would be surprised to find that they had fled to the emirates to work there, and the project was affected and shut down for a period, until other workers came. Therefore, proceeding from the premise of unity in the Cooperation Council, this coordination must take place.

Family and Women's Care

[Question] Are there any drafts of new laws in the area of social affairs or family and women's care in Qatar?

[Answer] We can praise God that all laws bearing on care in Qatar have been issued in integrated form in terms of the social aid that is paid out to everyone. They do not distinguish between men and women, and they provide all forms of social care for families and women who have to work in various fields.

We find them working with us in the Ministry of Labor as researchers and social investigators and also in the Ministries of Information, Education, Health and so on. However, I would like to state that our view of women, and women's work and lives, differs from the Westerners' view of them from the standpoint of rights, duties and equality. We say that women do not need equality with men, because we believe that they have everything; this view does not come from our own era, but from the era of our forefathers.

Women truly own everything men own. They wear gold that is worth at least three quarters of the wealth the men own, and they run the affairs of their lives and work, run the home, work with men and help them. What rights can women expect after this? In my opinion many foreign women have faced this fact regarding women in international symposia dealing with us and have become won over by it.

I stated that our view of women is fraught with the utmost appreciation and respect, and is not like the West's view on mobilizing women to work in areas which are not suitable for them, wearing them down, and reducing their status as women. The proof of that is, does the fact that young girls, in the bloom of their lives, work as waitresses in hotel cafes mean freedom for women? Of course not. We are not happy to have our daughters and our women do this work, because we, as Easterners, have the most precious thing we possess in our lives, women, as mothers, wives and daughters.

For your information, I was attacked by some women when I made the preceding statement, on grounds that I said "the most precious thing we possess;" they rejected the word "possession," and said, how can you possess a woman, they are humans like you, this view entails slavery? However, I told them that our pure religion and God's book, in its verses, proves that God gives women as possessions for men, and men as possessions for women. Men have the right to offer a little guidance, for instance in the lives of women and families, in the course of their lives.

Second, almighty glorious God, in the verses of the holy Koran, makes statements which prove that possession is the right of the man, in divorce and so forth. On the other hand, the West has not been able to attain the rights which Islam has provided for women, in spite of its claims of equality, but in spite of that we find that we are accused of not giving women their rights, while the opposite is correct, Moslem women have all the rights and also have all the obligations toward their husbands and families and bear them from the premise of the attitude of equal respect and appreciation which men hold toward them. Therefore we put women in jobs which are in keeping with their status and provide them protection and security. Therefore we are not against women working; to the contrary, we welcome them working, in places that are right for them.

For example, my daughters work as teachers in the Ministry of Education and also as social supervisors, but I am not prepared to have them work in foreign companies, mixing with men, because that is contrary to our customs and the teachings of our pure Islamic religion.

[Question] Does that mean that there are specific jobs for which women are suited and others for which they are not?

[Answer] As I said, it is permissible for women to work in any job, but on the condition that they be provided the protection and status that is suitable for them, for instance in medicine, nursing, teaching, social work and much else besides. However, it is not permissible that they work among men or in night shifts in factories and mix with men. It is more important that they have an important basic job, which is to raise infants and children and create families and new generations which are fit for the society.

[Question] However, some people demand that women obtain the same rights to mix as men and they demand equality with men, who permit themselves to mix with foreign women at work and outside work though they do not permit their wives, daughters or children to mix with anyone.

[Answer] Men, by virtue of the way they are made and their work, are permitted things that women are not permitted. From the physiological and physical angle, and the demands of life, their responsibilities are more numerous. Our Islamic religion spells out many rights for men as the guardian and protector of the family and also protects women from many things. At the same time, it grants them equality in many things, such as the right to see the persons they want to marry before they get married, which is also the man's right, but it does not give them the right to dress in a provocative manner and mix with strange men, because men and women do not get together without a third person, who is the devil.

[Question] Are these opinions reflected in women's labor laws in Qatar?

[Answer] They are not, but their course is governed by customs, traditions, and the statutes of our pure Islamic religion. The laws have been created to give women additional nursing hours, holidays for child care and maternity, and so forth.

The Gulf's Problems Are All Imported

[Question] However, women, in our Arab world, especially in the Gulf, are exposed to many temptations through advertising, which surrounds them everywhere and calls on them to mix, dress in a provocative manner, and so forth.

[Answer] That, unfortunately, is an actual fact. All our problems have been imported from the West and unfortunately the West is now suffering from the ill effects of the customs and traditions it has exported to us under the guise of freedom and mixing and wants to get rid of them. Proof of that is the Western women's call to return to their normal place in the home and remove themselves from the oppression of unsuitable work and excessive freedom for children, the departure of daughters from the home at an early age, and their mixing with young people without oversight from the father.

[Question] We in the Gulf countries are suffering from a critically low percentage of indigenous labor, and to compensate for that we import labor that comes to the area, while approximately half our society consists of women who do not work. Wouldn't it be better for us seriously to investigate introducing this idle force into various work areas, especially those that are suited to them?

[Answer] First of all, we do not have an idle force, because, as we have said, women have basic, specific functions in life, which are the family and bringing up proper children. This is a serious task, and at the same time, through expanded education and training programs, we are paving the way for women who want to work to work in areas that are suited to them. However, what I would like to bring up in this area is the issue of foreign governesses, who are spread about like a phenomenon now in most homes in the Gulf. My opinion on this matter differs with some which have been set forth. I consider that it is necessary that there be a woman to provide upbringing in the house, but not as an upbringer of children -- as an assistant to the woman for household work and the children's cleanliness. I emphasize that she should be an assistant, not a substitute for the mother or a governess

for her children, because unfortunately many mothers leave their children to foreign governesses and go out to work or to meetings with their friends.

Therefore, I say that an affluent family should bring in someone to assist the woman in household work, not a governess for the children, and that she should not be a substitute for the mother. Some mothers claim that they have responsibilities of work outside that do not let them devote themselves full time to the upbringing of the children, and therefore they bring in governesses who teach them a language other than Arabic and their customs and traditions, and infiltrate into the home to a degree where some of them form a relationship and marry the man of the house. In the face of that, we must spell things out clearly and frankly and not call attention to the presence of governesses but rather to ways in which they should be the assistants and not substitutes for the mother and wife.

[Question] Will the government provide aid for working women before new nursing homes and so forth are built?

[Answer] Government nurseries do not exist, but there are many private ones under the supervision of the Ministry of Health.

[Question] What about women's societies?

[Answer] There is only one woman's society in Qatar, in addition to the social accreditation and training center that trains young girls in handicrafts, sewing, home economics and so forth.

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CS0: 4404/71

PLANNING REPORT DISCLOSES PROJECT DELAYS

Al-Shariqah AL-KHALIJ in Arabic 24 Sep 83 p 2

[Article by Muhammad Abu 'Abduh: "Ministry of Planning Report Discloses Reasons for Delay in Federal Projects; Delays in Bigger Projects Ranges From 70 to 100 Percent"]

[Text] The Ministry of Planning, Bureau of Annual Programs and Oversight, has finished preparing a performance evaluation report of some of the federal projects in the UAE. It will be submitted to the cabinet during the next few days.

The report makes it clear that there are four projects in which the percentage of delay ranged from 0 to 30 percent, 10 projects ranging from 30 to 50 percent delays, four other projects ranging between 50 and 70 percent, and six projects in which the delays ran from 70 to 100 percent.

The performance evaluation report indicated that 23 firms working on delayed federal projects had smaller projects whose costs were 5 million dirhams or less. These projects were being implemented at a total cost of 166,908,951 dirhams, and the delay percentage ranged from 17 to 100 percent. Note that additional time has been granted for the implementation of these projects.

The reasons for their delay are various. They include the result of rain water collecting in the sites, the shifting of a site, delay in disbursement of payments, changing orders, a paucity of labor, lack of technicians, poor supervision so that the contractor stops work, the lack of making an advance payment, and contractor negligence.

The report listed the causes of the delays, along with a number of proposals and recommendations for the completion and monitoring of these jobs, requesting that obligations in arrears be paid to the contractors, comprehensive and exhaustive studies be made of the contractors' resources before the projects are awarded, so that the best contractor can be chosen. This would require expediting the classification of contractors at the UAE level.

The report also requested an unhurried and comprehensive study of projects in the first design stage, along with a comprehensive study of the project's site, from all its aspects, before putting it out for competitive bidding,

so that the site can be handed over to the contractor for the start of work without problems.

The performance evaluation report demanded stiffer penalties for contractors guilty of delays, stricter care in selecting the technical consultative organization and overseeing their presence at the work site. In addition, it requested that ministries that implement their projects themselves should have an integral technical organization, so that it can manage the project in the most complete manner possible. It pointed out that in one of the ministries there was no construction engineer nor technical supervisor to oversee the projects that it was implementing. .

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CSO: 4404/60

IMPORTS THROUGH DUBAYY REACH 10 BILLION DIRHAMS IN 1983

Al-Sharīqah AL-KHALIJ in Arabic 28 Sep 83 p 6

[Article: "Imports Through Dubayy Reach 10 Billion Dirhams During First 6 Months]

[Text] The volume of UAE imports through the ports of Dubayy during the first half of this year, amounted to about 2.34 billion kgs, valued at 10.186 billion dirhams, compared with last year's 2.155 billion kgs and 8.191 billion dirhams for the same period of time.

The volume of export and re-export trade was 852.78 million kgs, valued at approximately 3.745 billion dirhams.

The imports included food stuffs and live animals, valued at 1.28 billion dirhams, in addition to beverages and tobacco valued at approximately 148.24 million dirhams.

Imports also included fuel, valued at approximately 168.95 million dirhams, in addition to mineral fuels, fats and related materials, valued at approximately 595.71 million dirhams.

The imports included vegetable and animal oils, valued at about 42.4 million dirhams, chemicals valued at approximately 659.66 dirhams, processed goods classified as materials, valued at about 2.44 billion dirhams, machinery and transport equipment, valued at approximately 3.25 billion, and various manufactured goods, valued at about 2.21 billion dirhams, as well as merchandise not specified as to type, valued at approximately 28.6 million dirhams.

Exports and re-exports included foodstuffs and live animals valued at 119.2 million dirhams, beverages and tobacco, valued at 25.6 million dirhams, raw materials except fuels, valued at 72.6 million dirhams, mineral fuel, fats and related products, valued at 244.1 million dirhams, and animal oils, valued at 3.96 million dirhams.

There were also chemicals, valued at 141.3 million dirhams and manufactured goods, valued at 1.7 billion dirhams.

Exports and re-exports also included machinery and transport equipment, valued at 553.9 million dirhams, and various manufactured products, valued at 452.7 million dirhams. Exports also included goods not specified as to type, valued at 104.6 million dirhams.

BRIEFS

MINISTRY OF WORKS CREDITS--The amount of 168 million dirhams has been allocated in the UAE's general budget for fiscal year 1983 for completion projects in the Ministry of Public Works and Housing. The ministry itself will carry out these projects. Total estimates for these projects amount to about 1.23 billion dirhams. About 822 million dirhams of this has been disbursed as of the end of last year, and the remainder of the total costs will be about 557 million dirhams. The most important of these projects is the construction of 2000 housing units at a total cost of 400 million dirhams, of which about 9.6 million dirhams has been paid out, while some 45 million dirhams have been allocated for it this year. Also some 80 million dirhams have been appropriated for additional housing for a large number of citizens in the various emirates. One million dirhams was appropriated to maintain ministry buildings. Of the original 15 million dirhams, 3.9 million have been disbursed. The sum of 33.1 million dirhams was appropriated in this year's budget for projects to complete replacement and restoration works. Some 80.1 million dirhams have been disbursed so far out of the original 163.6 million dirhams. This work includes repaving a section of the Abu Dhabi-Dubayy road, reinforcing the al-Fujayrah-al-Zayyid bridges, a transportation plan for the UAE, maintenance of a number of other roads in the UAE, stabilizing the rocky slopes along the Dibba-Musafi road and a secondary road around the landslide areas of the Dibba-Musafi road, and maintenance of the first section of the Dubayy-Abu Dhabi road, from Jabal 'Ali to the Sayhun intersection. [Text] [Abu Dhabi AL-ITTIHAD in Arabic 27 Sep 83 p 2] 7005

7005

CSO: 4404/60

YEMEN ARAB REPUBLIC

BRIEFS

GOVERNOR APPOINTED—A presidential decree was issued today appointing Lt Col Salih Khawlani as governor of Ibb Province. [Summary] [CF292013 San'a' Domestic Service in Arabic 1700 GMT 29 Oct 83]

CSO: 4400/58

BABRAK KARMAL, NFF SEND MESSAGE TO AFGHANS LIVING ABROAD

Babrak Karmal's Message

Kabul KABUL NEW TIMES in English 13 Oct 83 pp 1, 3

[Text] Message of Babrak Karmal General Secretary of the CC of the PDPA and President of the Revolutionary Council of the Democratic Republic of Afghanistan addressed to Afghan Nationals living abroad:

In the name of God, the Merciful and Benign.

Brothers!

The national-democratic April Revolution inflicted a deadly blow on the tyrannical domination of feudals and bureaucrats who had been keeping our people for years on end in poverty, disease and illiteracy and did not pay any attention to the welfare of our people and their just rights. The April Revolution is the beginning of the new and great path which leads our people towards prosperity, complete freedom from the shackles of the cruel feudal and pre-feudal relations, towards a new culture, health, civilisation and progress.

With the victory of the revolution, those who had abundant land and big capital saw their interests in danger and unleashed a war and animosity against the revolution. In this ruthless war against your country, the world imperialism, headed by US imperialism, reactionary regimes of the region and the hegemonist China, reactionaries, feudals and the former rulers of our country joined hands and did not stop at committing any kind of crime and subversion against our people.

On the other hand, in the revolutionary party and state, Amin and his band resorted, in the first days of the revolution, to a conspiracy against the principled, sound, humane and realistic forces in the People's Democratic Party of Afghanistan. After usurping power completely, they perpetrated the worst kinds of torture, crimes and excesses on our people. This plot was a help to the enemies of the revolution who were waiting for such fatal mistakes on our part in order to justify their opposition to our revolution.

But, compatriots you must know that these crimes and deviation were completely against the essence of our revolution. Today we have established democratic legality in its real sense, in the country and have given unshakable legal status to the rights and freedoms of our people. The victory of December 27 razed to the ground all the plots of the reactionary countries of the region and imperialism. They rose to hatch wide conspiracies against our country. As a result the territorial integrity, independence and national sovereignty and the revolutionary gains of our people were faced with a serious danger. In order to defend our country against the aggression by aliens, we were constrained to request urgent assistance from the old and the real friend of the people of Afghanistan, i.e., the USSR.

The enemies of the revolution who thus saw their ominous plans doomed to failure unleashed a propaganda campaign and claimed that Afghanistan had come under the occupation of the Soviet Union. This is cowardly slander and the reality of the brotherly Soviet assistance, rendered in accordance with Afghan-Soviet Treaty of Friendship, dated December 5, 1978, and Article 51 of the UN Charter.

Countrymen,

We abhor fratricide, discord and animosity between our people. We have always fought for ensuring unity of action and strengthening brotherhood among all the tribes and nationalities inhabiting our united and beloved Afghanistan and will spare no effort in the future, too, to achieve this end.

In the two and a half years which have elapsed since the downfall of the bloody regime of Amin, we have shown that we are the real and devoted servants of our people.

We assure you, compatriots, that, in our country, the conditions are fast improving. Nobody is subjected to persecution or investigation for his religious belief or political and ideological inclinations unless he would resort to plots and subversive actions against our people and revolution. The rights, freedoms, property and persons of individuals are protected.

In line with our peaceful approach towards the countrymen who have come under illusions, we have given legal force to this fact through the Decree of the Presidium of the Revolutionary Council on General Amnesty dated June 18, 1981.

You are living as a stranger far from the country, leading a difficult, meaningless life, detached from the warmth of your household and subjected to constant humiliation while the revolution provides for you land, opportunity to work, education and participation in moulding the destiny of the society.

Do you know that the US imperialism and the regimes of Pakistan and China are using you as a convenient and cheap tool? You do not have any authority of your own. The so-called Jamiat and Harakat-e-Islami, etc who themselves are leading a royal life in their decorated palaces, make you an object of deals. We assure you that in any case, we will establish

complete security in the country. Our revolution is getting consolidated and ever wider ranks of the people are rallying around it.

Life has shown that our party is getting stronger with every passing day; its link with the people is getting consolidated and the enemy is becoming weaker.

In the name of Afghan honour, in the name of the country, wake up and return to your country. Return to your homeland which is waiting for you and has a right on you. The country will embrace you in its fold. Still, it is not too late. Abandon the path which you have followed erroneously and under the impact of the enemy's deceit. Respond to the compassionate call of the homeland and begin anew a normal, humane, proud and free life in your ancestral and proud homeland. There are no obstacles for you on this path. The Government and the state of the DRA will ensure for you necessary conditions for engaging in fruitful and useful social work and leading a befitting, human life. Make use of this real possibility which can change your destiny and that of your children in a honourable and desired direction.

Come, let us make our beautiful country prosperous and blossoming. The country needs you.

And success is from God!

Babrak Karmal, President of the Revolutionary Council of the Democratic Republic of Afghanistan.

NFF'S Message

Kabul KABUL NEW TIMES in English 13 Oct 83 p III

[Text] In the name of God, the most merciful and compassionate;

Dear compatriots!

Our Muslim sisters and brothers!

The National Fatherland Front of the Democratic Republic of Afghanistan is the real centre of patriots of our country. It is founded in order to organise the democratic and revolutionary forces of the country for the purpose of building a prosperous, free, independent, flourishing and progressive Afghanistan. The NFF is the heir of the best traditions of militant struggles of the genuine, and freedom-loving sons of the country who did not turn back from the sacred path of struggle for independence, freedom, democracy and prosperity of people under the fatal tortures, chains of prisons, in dreadful dungeons of despotism and under the shameful tyrannic rule of the past governments, and sacrificed their sweet lives fearlessly. The NFF has been founded for profound respect to the long cherished aspirations of patriots, unity of action and organising millions of toiling people of the country for the construction of new life. Now thousands of our patriots, recognized social and national figures and the devoted fighters of the prosperity of the people and progress of beloved country democratic Afghanistan have gathered around the ranks of the NFF and proceeded ahead successfully and firmly to accomplish their great historic mission.

Dear compatriots!

Realizing its grave responsibilities towards the people and the country, the NFF of the Democratic Republic of Afghanistan calls on you suffering brothers and sisters who have abandoned their homes as a result of the deceptions of the enemies of the religion and honours of the revolutionary country and the cruelty of and horror of the despotic regime of Amin, and you brothers and sisters who held dear the prideful name of the country to: Put an end to the painful life of deprivation in the camps of the territory of aliens, refrain from placing your talent, capacity, energy, wisdom and confidence at the service of aliens and let no sold out elements who shrewdly and treacherously have assumed themselves the so-called leaders and chiefs of counterrevolutionary bands and are leading a luxurious life at the expense of your sufferings, pains and griefs--to render your lives sorrowful and meaningless which can be imbued with prosperity, and happiness inside your revolutionary homeland.

Think of the cries of poor children, of their empty stomachs and lean bodies, think of your own clothelessness, disease, lack of medicine and hunger. Think of the pathetic life of your other brothers and sisters who have been housed in camps and who suffer the unbearable heat and the severe cold of winter!

Our oppressed nation has been leading a life of deprivation for centuries under the most severe and tyrannic tortures and the most brutal despotism, exploitation, ignorance and poverty. You should no more suffer the tortures of being away from the homeland and your homes, the tortures of living in obscurity, tortures of dying in obscurity in foreign lands, the tortures of extending the begging hand for a morsel of bread, to the enemies of the honours of the country. Let us unitedly end these tortures and grieves and let us not allow our other compatriots to burn in the fire lit and fanned by our enemies. In revolutionary Afghanistan, i.e. in the sacred land of your ancestors all your religious sanctities, all your proud manners and traditions and your personality, property, rights and honours as well as all your democratic freedoms are guaranteed by law and are being supported and respected.

The oppressive manners and the barbaric anarchy of the past have been brought to an end after the victory of the new phase of the revolution. The revolutionary Afghanistan, the People's Democratic Party of Afghanistan and the NFF of the Democratic Republic of Afghanistan are awaiting you with their warm embrace. Your compatriots are engaging in the work of ensuring and consolidating nationwide peace with the smashing of the last nests of the counter-revolutionary bandits.

Your Muslim brothers and sisters, your homes and abodes, your lands and farms all are awaiting you. Come back to the sacred land of your ancestors, so that we may unite in a single rank of the NFF of the DRA and with joint revolutionary work and struggle create a new Afghanistan and to gain eternal pride for ourselves and our children.

The Central Council of the NFF of the Democratic Republic of Afghanistan.

ARTICLE EXAMINES 'FORGOTTEN' SITUATION IN AFGHANISTAN

Istanbul MIDDLE EAST REVIEW in English Nov 83 p 16

[Article by Ansen Batur: "Can We Afford To Forget Afghanistan?"]

[Text]

These days the world is preoccupied with the civil war in Lebanon, and has lost interest even in the Iran-Iraq war. So it is hardly surprising that the silent but heroic struggle still being waged by the Afghan resistance fighters against the Russian occupation forces has been forgotten.

Since the outbreak of war between Iran and Iraq and subsequently the Israeli invasion of Lebanon, the continuing war in Afghanistan has lost its topicality.

On the rare occasions when it is mentioned at all, the news is tucked away in the 'news in brief' columns and readers have difficulty in recalling the issue in any detail. It would not be quite so tragic if it was just that the courageous struggle of the Islamic freedom fighters had been forgotten. What is more important is that Khomeini's regime can no longer afford to keep up the aid to the Afghans which it had been supplying until the outbreak of war with Iraq. Although the Khomeini regime is pledged to impose 'Khomeinism' and the Islamic Revolution on other countries, to

and sold to them at exorbitant prices by Iranians.

Another limited source is the few weapons brought or sold them by soldiers and officers deserting from the Russian and Afghan armies, some of whom join the resistance and some of whom merely sell their weapons and hide out in villages. Apart from these, the guerillas have no sources of arms at all. Furthermore, in winter the guerillas suffer from shortages of food and clothing.

With such limited means at their disposal, the resistance fighters have no chance of defeating their opponent, the Soviet Empire, with its infinitely greater resources. When provide two fronts with weapons is an insurmountable task. Moreover, there is no truth in the intermittent reports that the CIA is supplying the Afgans with weapons. So apart from the weapons which the guerillas obtained from Pakistan and Iran at the start of their struggle, they only have those which they succeed in capturing from Russian and Afghan army units, and a few weapons smuggled over the Iranian border

civil strife first began in Afghanistan the Afghan army totalled eighty thousand men. But over the past four years it has dwindled to twenty-five thousand due to the high desertion rate and the large numbers joining the guerillas. To compensate for these losses the Russians have sent at least one soldier to the Afghan front for every soldier lost by the Afghan army. Thus the Russian forces in Afghanistan now number over ninety thousand.

For the time being Babrak Karmal is still in power, propped up by the Soviet Union. But there have been rumours that the Kremlin wishes to replace Karmal with another puppet ruler. If Karmal is deposed like his predecessors, Nur Muhammed Taraki or Hafizullah Emin, and a new administration takes over, it is unlikely to make any difference to the resistance fighters. Although it is alleged by some that Uri Andropov wishes to withdraw from Afghanistan it is impossible to predict what a country like the Soviet Union will actually do. Perhaps such rumours were started for the specific purpose of lulling the world into the false assumption that Russia will soon withdraw from Afghanistan.

But whatever the truth of the matter we know for a fact that the world, in particular the Islamic world, wrongly believes that the Afghan guerillas have found their own sources of provisions and equipment.

It must not be forgotten that when Algeria and Tunisia succeeded in winning independence from France in such a brief time, they did so with the support of the entire Arab world, which sent fighting men as well as weapons and money. Whereas Afghanistan is not only devoid of material aid, but begrudged even moral support. The Islamic world may pay a high price for this misjudgment in the future. If the resistance finally collapses completely and Russia overruns Afghanistan, who is to guarantee that tomorrow the sickle and hammer will not fly over another Islamic country in close proximity to Afghanistan?

The leaders of all the Islamic countries must take this possibility seriously, because tomorrow it may be too late.

IRAN

MUSAVI KHO'INIHA RECALLS OCCUPATION OF U.S. EMBASSY

LD041803 Tehran Domestic Service in Persian 1030 GMT 4 Nov 83

[Text] The pre-sermon speaker during today's Friday prayers ceremonies was Majeis deputy speaker Hojjat ol-Eslam Musavi Kho'iniha, who spoke about the historic day of 4 November, the anniversary of the Imam of the ummah's exile of the victory over the U.S. den of espionage and pupil's day. Referring to the U.S. conspiracies and its repeated defeats since 1963, he said that in the history of Iran's Islamic struggle, 4 November is the date of the U.S. defeat in Iran.

Afterwards he expounded the struggle waged by the leader of the revolution against U.S. policies in Iran and the treachery of the former regime. Referring to the epic and crushing speech of the Imam, delivered on 26 October 1964, about the sinister bill of capitulation [exempting foreigners from Iranian criminal law] he said that the Imam of the ummah, through his exposing speech, divulged a conspiracy which was going to trap and exploit our nation; and the United States realized that the clergy headed by Imam Khomeyni was the only power capable of standing against its criminal policies. Therefore, the United States ordered the Shah to exile the Imam. The United States thought that by separating the Imam from the Islamic ummah of Iran, it would be able to implement its plots easier. However, despite the U.S. illusions, the Imam's messages issued both in Iraq and in France reached the deprived and oppressed people of Iran and the nation, with the guidance of the clergy, began its struggle against the Shah. An anti-American movement then sprouted among all strata of the country and grew daily. On 4 November 1978 when the pupils and students joined the other strata to chant the slogan of "Death to the Shah," the Shah's executioners opened machinegun fire on the demonstrators which martyred a number of them. The blood of these pupils made the people more angry and more united against the Shah and the United States. As a result, on 11 February 1979 the revolution came to fruition and the Muslim ummah of Iran gained victory.

Afterwards, the speaker analyzed the achievements of the provisional government after the victory of the Iranian Islamic revolution. Criticizing the approach of the provisional government and its compromise with the United States, he said that although they are now a political corpse and there is no point in kicking them--only the United States has to bear the burden of carrying this political corpse shoulder high--we have to mention the provisional government in order to understand how the victory over the den of espionage was achieved.

He went on to say that despite the direct challenge of the Imam of the ummah against the United States and its crimes in Iran, the provisional government was engaged in collusion with U.S. statesmen and was compromising with them. The nation could not put up with this approach of the provisional government, because the main purpose of the revolution was to kick out the Shah and the United States who were responsible for bringing all that misery to the nation. Therefore, the people rose again and the same students and pupils, these devotees of the Imam, conquered the U.S. center of conspiracy, which was their den of espionage in Iran. With the conquest of the den of espionage many documents were exposed naming the affiliated individuals. The nation then realized that these so-called anti-imperialist minigroups were connected with the United States. Faced with the revolutionary action of the Muslim student followers of the Imam's policy the provisional government was forced to resign. A question was thus raised asking what the connection was between the provisional government and the United States? Why was it unhappy with the revolutionary deeds of the students?

In conclusion the speaker added that this year, too, our combatants delivered a heavy defeat to the other servant of the United States, that is, Saddam; and this is another blow against the United States.

CSO: 4640/29

DOMESTIC ISSUES DISCUSSED BY INTERIOR MINISTER

Tehran ETTELA'AT in Persian 25 Sep 83 p 15

[Interview with Hojjat Ol-Eslam Nateq-Nuri; date and place not specified]

[Text] In an interview with the correspondent of ETTELA'AT AND JOMHURI-YE ESLAMI Hojjat Ol-Eslam Nateq-Nuri said: The election for the second term of the Islamic Majlis will begin at the end of 1362 [21 March 1984].

Regarding the plan for administrative division of the country, the Interior Minister said that the plan was prepared and was submitted to the Islamic Majlis which has ratified it and we were charged with preparing its executive regulation with a six-month period. We will start the elections according to its priorities as soon as the regulation is prepared.

Concerning sound security for the borders, Mr Nateq-Nuri said: It is of great and important concern, because approximately 10,000 kilometers of border roads must be constructed and the number of border posts must be increased. However, after many efforts we succeeded to establish control over some borders.

Regarding the bill concerning parties, he said that we have prepared an executive regulation and now it is filed in the government's agenda for procedure.

Regarding tribal headquarters, he pointed out that headquarters consist of five surveying commissions. Further, he said: Some plans for the tribes' welfare have been prepared and improvement ratified. We can name methods for better use and improvement of pastures, mobile bases and plans for supplying tribal identity cards.

In conclusion of the interview in connection with the formation of urban councils, Hojjat ol-Eslam Nateq-Nuri said: the election law for these councils has been prepared in 128 Articles and a number of remarks. The law has been studied in the Government's Commission and after ratification by the Majlis, it will be put into force.

War, Renovation Problems:

Regarding the Interior Ministry's functions in connection with the imposed war and its problems, the Minister of Interior said: The Ministry's functions must be divided into several categories:

Concerning people's contributions and shipment of these contributions; the offices of the governors-general, since the outbreak of war, have been playing significant parts. The provinces which are located in the war zones took prompt measures in sending forces and necessary equipments. Moreover, while coordinating with Friday imams, foundations and the other concerned organs, the governors-general have played important roles in the mobilization of forces and the peoples' contributions.

In connection with reconstruction and renovation of the war-stricken areas, the Minister of Interior said: The government felt that the war may last longer than expected and if we postpone the reconstruction and renovation operations until the end of the war, many years may be wasted. However, the government began carrying out reconstruction and renovation operations in the liberated areas besides other problems of war and intensified workloads. For this reason headquarters for reconstruction and renovation was formed. Cabinet members or their authorized representatives who would be familiar with these problems could participate in these headquarters to investigate the damages inflicted in the war-stricken areas. Each ministry within its own capacity has to provide the requirements for these areas. Members of the Supreme Council of Reconstruction and Renovation consist of the Prime Minister, Ayatollah Sana'i, the Imam's Representative and I. The Supreme Council will supervise the headquarter to expedite the operation and to solve problems.

Furthermore, Nateq-Nuri said that according to Imam's command, "the holiness of reconstruction of these areas is the same as holy war and it must be preserved for the benefit of the people." Therefore, certain headquarters were formed and each province undertook to carry out the reconstruction of a specified area. Through the cooperation of the people, the operation was such a success that it was beyond our prediction.

Concerning the activities of the security forces during the imposed war, the Interior Minister said: Although, as it is known the security forces' responsibility covers maintaining security measures in cities and villages. Nevertheless as this war is a war of the masses in our country and since security forces are not separated from the people, therefore these forces played a significant role in the war along the side of their other warriors. The gendarmerie, in the war area, had certain areas in its disposal in Abadan. Our brothers said that in Hamzeh Seyyed Ash-Shohada base, the gendarmerie forces fought bravely and sacrificed their lives along with other warriors in Kordestan and Western Azerbaijan for the cause of the revolution. The State Police Force, also has its voluntary forces which took a significant part in the battles. Our brothers of the Islamic Revolution Committees who recently, by forming the Musa Ibn Ja'far Brigade within the framework of the Guards Corp, also took part in the operation.

In conclusion, while pointing to the activities of the reconstruction and renovation headquarters in the "War Week," the Interior Minister said: On the second day of war week, it was declared that this day should be named as the day of reconstruction and renovation of the liberated areas. On the same day, 3 million receipts were equally distributed throughout the provinces and accordingly donations were collected. In addition five ministers made speeches in five different war camps on this occasion. He also said that totally 250 individuals who were in charge of the reconstruction and renovation matters, from specific provinces visited the cities where they could see the activities of their compatriots.

CSO: 4640/9

PASANDIDEH'S LETTER, BAZARGAN'S SPEECH REVEAL DISCONTENT

London AL-DUSTUR in Arabic No 301, 29 Aug 83 p 31

[Article: "A Letter from Khomeyni's Brother and a Speech by Bazargan"]

[Text] The opponents of the Iranian regime living abroad are in themselves not the only danger threatening Khomeyni. Rather, the true danger to the regime comes from within.

As the Iranian proverb says: "Whenever a person's luck turns bad, he will die of cold even in summer." The story of Khomeyni now resembles the story of a man from whom fortune and luck have fled.

Perhaps the letter sent to Khomeyni by his older brother Ayatollah Mortaza Pasandideh and the speech of engineer Mehdi Bazargan, the first prime minister after Khomeyni came to power, will throw light on this story.

It is worth noting that the differences between Ayatollah Pasandideh and Khomeyni are not recent. Indeed, they began as soon as Khomeyni returned to Iran. When Khomeyni decided to replace the constituent assembly to draw up a constitution for a "council of experts", the people did not participate directly in the appointment of its members, so Pasandideh announced his opposition to the council. The differences between the two brothers intensified, especially when Pasandideh supported the monarchy, and because of this support Khomeyni ordered him to be placed under house arrest in the city of Qom.

Pasandideh's letter begins as follows:

"My dear brother Ruhallah Khomeyni: I am writing this letter to you, although I doubt it will reach you. You are surrounded by satans who prevent me from getting in touch with you. Brother, I don't know why I call you brother, for you have no brotherly feeling or respect for your older brother. Look at the people from your windows and you will see them crying to God, appealing to Him to help them escape from this bloody, barbaric government which you have called the Islamic republic.

"Look at the people who are dreaming of the past and wishing for a return of the monarchy. Have you heard the cries of the people or have you become like a

shepherd whose flock was attacked by a wolf? He used to praise and extol one of his lambs and when the wolf attacked it, the shepherd was unable to save it or himself. My dear brother, I am sending you this letter not because of your actions and the actions of your gang against me but because I know that the time of my meeting God the Mighty and All-Powerful is approaching and because being older than you I must tell you my last words, especially since I know the latest game you are playing with the matter of succession and testament.

"How can you yourself announce a successor? Have you become a new Shah? Is there in Islam an inheritance other than the inheritance of an infallible person, a condition that does not apply to you because it is limited to Imam 'Ali and his children and his 11 descendants, may the peace of God be upon them? During the 13 centuries of Islam the people chose their authorities and all their elite directly and by entrusting them with power. Here you are proposing a new religion that provides for a religious and political ruler as your successor.

"My dear brother, how wonderful it would be if you changed the name of the Islamic republic to the 'Islamic monarchy', a truly preferable name. You knew after Bani Sadr was deposed that you do not respect your commitments or your promises and that you care little about friendship, and now I do not have the slightest doubt that you do not respect even brotherhood and fatherhood. Your grandson Hoseyn is kept under guard while your older brother is subject to arrest! You are proud of your republic and of your men who are nothing but a bunch of butchers who compete with one another in carrying out executions, arrests, and torture."

After citing many examples of the regime's fascism, Ayatollah Pasandideh concluded his letter by saying: "I beg God to pardon you and guide you to the straight path."

Bazargan's Speech

Bazargan's speech was stronger than Pasandideh's letter.

Bazargan had addressed Khomeyni indirectly and in public in the council when he spoke at a meeting of the "State Council" last week.

"I want to ask Imam Khomeyni to dissolve Parliament and announce that he does not desire the council because I am quite sure that the people do not look upon this council or any future council as a mechanism for preserving democracy. On the contrary, in the people's mirror we are nothing but lifeless individuals praising the WALI AL-FAQIH day and night. The only thing that has changed since the Shah's days is that we are even more effusive in praise of the ruler. Otherwise, who said the false god is dead? Has our government become a government of laws or a sovereign power of the people? Where is the sovereign power of the people when you decided that the ruling group has more power than the people? Does the head of this group have divine authority?

"The term of this council will end in a few months. It will be better if it does not return to the people to conduct parliamentary elections because the

results are already known. I can name the winners right now, for the pen is in your hands and the paper comes from you. Why then have parliamentary elections?

We got rid of the false god, but idolatry is still oppressing us. Here you see the candidates vying with one another to share in the role of the false god."

Bazargan concluded his speech by referring to the war and its casualties and to the condition of the Iranian people. He said:

"We will lose the world to come as we have lost this world. We have become an example of those who lost both this world and the other world."

5214

CSO: 4604/3

MUSAVI DISCUSSES FORTHCOMING ELECTIONS, CRITICIZES LIBERALS

Tehran KAYHAN INTERNATIONAL in English 31 Oct 83 p 1

[Text] Tehran, Oct 30 (IRNA)--Prime Minister Mir Hussein Musavi Sunday said that the forthcoming general elections for the Majlis (parliament) will be held in a free atmosphere but warned that the war efforts will not be neglected in the name of freedom.

The second general elections for the Majlis are to be held next year. The Interior Ministry is yet to announce the elections date but it is presumed that the Iranians will cast vote somewhere in the first quarter of the next year.

Talking to a reporter of morning Persian daily Jomhuri Islami (Islamic Republic) the prime minister said the people will go to the polls as usual.

During the last four years the Iranians have gone to the polls several times following the culmination of the Islamic Revolution. According to the official records the voter's turn-out was very successful at all the elections. Even the foreign media admitted on the unusually high record of voting during these elections.

Jomhuri Islami, an organ of the Islamic Republic Party (IRP), quoted the prime minister as saying that the government is responsible for making the necessary preparations for holding the elections smoothly.

Musavi, who is also a member of the IRP and was himself editor of Jomhuri Islami before taking over as premier, criticized the liberals and said that they were paving the way for the United States.

He said their (liberals) case is clear and they know full well that the people will never vote them into any office.

He said, if the liberals make themselves candidates for the general elections, we will honor the votes whatever outcome.

We will honor the people's decision on this issue, he declared.

The liberal group in Iran is affiliated with the West and believes that the country should cooperate with the U.S.-led West in its overall policy including political and economic affairs.

On the contrary the Islamic Republic of Iran does not believe in following neither East nor West and follows an independent policy in all its economic and political affairs.

The prime minister Saturday completed second year of his premiership. On this occasion giving few details of future plans of his government, he said efforts will be made to mobilize all forces in the country to achieve victory in the war.

The Ba'athist regime of Iraq imposed the war on the Islamic Republic of Iran which is now in its fourth year. The prime minister said the war issue will receive priority in his government.

Commenting on the five-year development plan of the country the prime minister said that agricultural sector will be on the top of the priority list of the government efforts.

He said 20 industrial projects of national importance will receive attention in the future plan of the government. They include the petrochemical complex which is under construction at Bandar Khomeini with the collaboration of Japan and Ahvaz steel complex, south of Iran.

On social front, the prime minister said all efforts will be centered on eradicating drug traffic from the country. He said due attention will also be paid to higher education in the country.

The prime minister said that government has no intention to take over commercial activities except in certain areas where it is necessary.

He blasted the critics and said if the government controls the prices of essential goods they (critics) say the government is interfering and if the government supervises the distribution of major commodities the critics say that it follows leftist economic policies.

But, the prime minister said, the government feels its responsibility for making the provision of war expenditures, implementation of the development projects, security in the country and also making provision for day-to-day life of the people.

CSO: 4600/101

IRAN

OFFICIAL REPORTS ON NONALIGNED CONFERENCE HE'D IN PDRK

Tehran ETTELA'AT in Persian 2 Oct 83 p 3

[Text] Mr Javad Mansuri, the Undersecretary for Cultural and Consular Affairs, of the Foreign Ministry of our country, who had gone to Pyongyang to attend the Conference of the Ministers of Education and culture of Nonaligned and Developing countries returned home, yesterday. In an interview, he explained the program, agenda and the particulars of the conference. Furthermore, he explained the results achieved by the participation of the delegation of the Islamic Republic of Iran in the conference and on the proposals of the delegation submitted to the conference.

According to our correspondent's report, while speaking on the attitude and decision of the formation of the conference of the nonaligned ministers of education and culture which was fostered by the heads of the nonaligned countries in New Delhi, he said: It is the obligation of the conference to take up measures in the field of cooperation, education and cultural exchanges of the nonaligned and developing countries and to adopt methods in campaigning against imperialism and zionism's cultural influences by regional and bilateral cooperation. Moreover the methods of cooperation among the nonaligned countries, were discussed and for this purpose, the conference included in the agenda comprehensive study of education and training aspects of the nonaligned and developing countries, choosing strategy for expanding education and training in these countries and finding executive means for accomplishing the program.

Mr Javad Mansuri said: The following topics of education and training were included in the agenda:

- To adopt a correct educational policy in accordance with the future expansion requirement of nonaligned countries;
- To enforce compulsory education in accordance with national qualifications and training of specialized cadre;
- To eradicate illiteracy as a vestige of imperialist and colonialist heritage;
- To improve educational systems for training of suitably talented men and women through education and training.

Concerning the cultural aspects of the agenda, he cited the following:

- To compile a policy for establishing and supporting popular culture;
- To eliminate the cultural heritage of imperialism and colonialism and safeguard the nations' genuine culture against the imperialist cultural influences and to promote the peoples' impression of being genuine possessors of their own culture;
- Safeguarding and restoring the native cultural heritage to maintain and support independence and training of suitable cadres for the country in order to establish an independent culture;
- To establish centers and to provide necessary facilities in order to create an independent culture;
- Correct distribution of cultural facilities among the people and to improve present methods;
- To strengthen cooperation among the nonaligned and other developing countries in the fields of education, training and culture.

Iranian Delegation's Proposals:

Concerning the particulars of the participation of the Iranian delegation in the conference, the Undersecretary for cultural and Consular Affairs of the Foreign Ministry said: The statement of the delegation of the Islamic Republic in the conference consisted of a series of analyses and essential proposals, which were received warmly by the majority of the participating delegations. It was decided that the proposals will be included in the final resolution. Our delegation was appointed as one of the coordinators of the resolution.

Furthermore, he announced that the submitted proposals of the Iranian delegation to the conference consisted of the following:

- Since Zionism is an international expansionist network and plays a part in the rule of world's arrogance, therefore, whenever the word imperialism is used, the word Zionism must be used along with it;
- Replacing and changing many proposed terms of the resolutions to Islamic terms and phrases;
- Denouncing the principle of aggression in general, whether cultural, economic or military;
- To establish an organization consisting of all nonaligned countries for technical and professional cooperation;
- To expand public training in all societies and centers where the people gather in order to campaign against illiteracy;
- To accomplish intellectual cooperation among the nonaligned countries and other developing countries;
- To review an especial training system for women all over the world. The identical training programs for women and men in fact indicates ignorance regarding characteristics and the role of women in society;
- To establish imperialist cultural influence.

Stressing that most proposals of the Islamic Republic of Iran were approved, Mr Mansuri said that the secretariat of the nonaligned conference was to be responsible for executive guarantees in adopting all resolutions.

CSO: 4640/12

NVOI ASSAILS IRAN'S SUPPORT FOR ZIA' UL-HAQ REGIME

TA011606 (Clandestine) National Voice of Iran in Persian 1730 GMT 31 Oct 83

[Unattributed commentary: "The Tragic End of a Course That Rulers of the Islamic Republic of Iran Have Adopted"]

[Text] Dear compatriots: At one time authorities of the Islamic Republic of Iran used to say: "For us, relationships with nations are more important than relationships with governments." In recent years life has repeatedly demonstrated that in this respect too, as in all other respects, the rulers of the Islamic Republic of Iran have no sincerity.

Everyone knows that the cry of the suffering Pakistani people, in Zia' Ul-Haq's regime of tyranny and terror, is becoming more resonant in the world day by day. The Pakistani people have risen against Zia' Ul-Haq's police, as well as against his army which is armed to the teeth with U.S. weapons, to restore democracy and their political and social freedoms.

In this antidespotic and anti-U.S. movement, all anti-imperialist parties and organizations that support the rule of law are on one side, and the most reactionary and subservient U.S. agents, as well as Zia' Ul-Haq himself and his military clique, are on the other. In the days of the climax of the Pakistani people's popular and anti-imperialist movement, Zia' Ul-Haq's U.S. masters rushed with all their might to the aid of their bloody and subservient regime.

America's military and political support for Zia' Ul-Haq's regime did not surprise anyone, because everyone knows that America willingly plays the inauspicious role of supporting dictatorial and despotic regimes. Our homeland's people realized this bitter fact with their whole being for many years in connection with America's support for the annihilated Shah's bloody regime, particularly on the eve of the revolution and after its victory. However, what draws attention more than anything else in connection with the events in Pakistan and the protest movement of this country's people against Zia' Ul-Haq's tyrannical and law-breaking regime is the attitude of the Islamic Republic of Iran's rulers; namely, those who project themselves as the standard bearers of struggle against America not only in Iran and the region but in the entire world, and as the hope of the world's oppressed.

To date, one can point out numerous instances where rulers of the Islamic Republic of Iran have actually shown themselves to be the assistants of America. One of these instances is the very unstinting support by the gentlemen who claim to support nations, for an antipeople regime dependent on America, that is Zia' Ul-Haq's regime. Precisely in the days when the Pakistani people's struggles against Zia' Ul-Haq's regime had reached their peak, and America was acting frantically to save this regime, rulers of the Islamic Republic also made efforts to assist Zia' Ul-Haq. In accordance with the universally obeyed order of the rulers of the Islamic Republic of Iran, the Islamic Majlis approved a bill extending the deadline for repayment to Iran of Pakistan's \$580 million loan.

It has become quite clear that being a U.S. satellite and dependent on America is not significant and important for rulers of the Islamic Republic of Iran. The important thing is friendship with so-called Muslim governments, even though they are antipeople and lackeys of America, or with a regime whose various ties, as well as certain issues, preclude any discussion even in the Majlis.

Yes, the people are well aware of those various ties of the Islamic rulers with U.S. subservient regimes, and know that the tragic end of a course adopted by this regime is to fall entirely into the arms of imperialism, headed by America.

CSO: 4640/25

weapons and military equipment. The toll of dead and wounded is anyone's guess. The most optimistic estimates put the number of dead and wounded at around 250 thousand, while according to others this figure is nearer 500 thousand.

Iran and Iraq were once OPEC's most regular oil producers. Today oil sales to the public are rationed. The oil wells at Abadan and Kharg Island in Iran and Basra in Iraq, each worth billions of dollars, have been bombed to heaps of twisted metal. Even if hostilities were to end today, it will take Teheran and Baghdad a very long time and astronomic sums of money to reconstruct these modern plants, which were destroyed by a few rockets.

No doubt both Iran and Iraq's leaders are keeping up public morale with bold assurances that their countries have the resources to go on fighting for another hundred years if necessary, but faced with this scene of destruction it is clear that these are empty boasts.

Peace is the Only Way

The time has come for the leaders of these two warring nations to be guided by reason instead of emotion. War has proved to be a dead end. Peace is the only way out. And to achieve peace both sides must make sacrifices and possibly concessions. But in return the killing of young people will cease and there will be no more devastation.

Current efforts to revive the Good Will Committee established by the Islamic Conference to bring the two antagonists to the negotiating table, inspire hope. This is an opportunity which should not be missed. Turkey has an important role to play in the peace efforts. As Turkish leaders in Ankara have said more than once, Turkey wishes these two neighbouring countries to set their weapons down, and will do everything in her power to bring this about. But first of all Teheran and Baghdad must proclaim to the world that they are ready for peace.

IRAN-IRAQ WAR: AUTOPSY OF PAST THREE YEARS

Istanbul MIDDLE EAST REVIEW in English Nov 83 p 13

[Text]

Whether the war began on 4th September 1980 as alleged by Iraq, or on 22nd September 1980 as alleged by Iran, the spark of war cast in September 1980 quickly broke into flames. Although three years have passed since then, the fire still rages.

As the Iran-Iraq war enters its fourth year, if we cast our eyes back we see nothing but tears, devastation and blood.

If the day comes when the Iranian leader Khomeini, and the Iraqi leader Saddam Hussein, stop to ask themselves "What have we gained from this war?" the answer can only be "Nothing."

Fantasies and Facts

When Iraq began fighting she declared, "The Shatt-al Arab river should be under Iraqi control. The Arab population in the Ahvaz region of Iran must be granted autonomy. Khomeini must be overthrown. The islands at the south of the Gulf of Basra must be released from Iranian occupation."

As the war enters its fourth year, the Shatt-al Arab river is still not controlled by Iraq. The plight of the Ahvaz Arabs is possibly worse than it was before. The islands are still occupied by Iran, and Khomeini is still in power.

Iran meanwhile, at the outbreak of war declared that it would overthrow the Baath regime of Saddam Hussein; stir the people to revolt and establish a regime similar to that in Tehran; and close the Shatt-al Arab to the Iraqis. Once all these objectives had been accomplished Iraq was going to be forced to pay Iran 150 billion dollars in return for the suspension of hostilities by Iran.

The Baath regime has not been overthrown, nor has Saddam Hussein resigned. The Iraqis did not revolt, and the 150 billion dollars has not been paid.

But since the war began the famous Behest Zehra Cemetery in Teheran has been filled with the bodies of young warriors killed at the front. While in the Kerbela and Necef cemeteries in Iraq lie thousands of young men in whom Iraq's future was invested.

Who is Right, Who is Wrong?

It is no longer of any moment to seek the answers to these questions. Because the years have brought the issue to a stage where such a distinction can no longer be drawn. All that matters now are the horrifying consequences of this senseless conflict.

Iran and Iraq have between them paid out 100 billion dollars to arms traffickers and blackmarketeers for

IRP ORGAN ON COMMUNIST INFLUENCE IN LIBERATION MOVEMENTS

GF021410 Tehran JOMHURI-YE ESLAMI in Persian 13 Oct 83 p 1

[Part Three of unattributed editorial "Brainwashing" entitled: Liberation Movements in the Grip of Communists]

[Excerpts] Marxists have written a great deal about the role of the Soviet Union in support of liberation movements so that maybe they can make their supporters believe this immense lie in the course of their brainwashing with Marxist ideologies. Their hope is that a communist will come to realize that the sole supporter of liberation movements is the Kremlin. The most important achievement that this Marxist indoctrination can have is that immediately after the above, they resort to the philosophy of a two-pole world and conclude that any movement opposing Marxism and especially the Soviet Union is doubtlessly pro-American and dependent on the United States.

Marxists have concentrated a great deal of effort on using this technique in Muslim countries and thus deal fatal blows to Islamic movements. Since they have had no key or decisive role in any movement in Iran or other Muslim countries or will ever have such a role then, with a clear mind, they resort to moronic analyses, accusing Islamic movements of being pro-American or borne out of imperialism. This technique has repeatedly been used in Iran and is currently used extensively in Afghanistan.

Furthermore, when the movements establish themselves and the stupid claims of the Marxists are no longer acceptable, they then claim that U.S. elements and those connected with rightist factions have infiltrated the movement and are trying to capture its leadership.

All the remarks and facts mentioned by the leaders of the spies' party are but a small portion of contemporary history. Any one of these events alone could bring a nation to its knees and neutralize liberation movements. However, as a result of the revolutionary culture and a deep revolutionary potential in the Islamic countries of Iran and Afghanistan such blows were unsuccessful in making a final and neutralizing impression. Their effects have surfaced in the understanding and the slogan of parallel struggle against the East and the West.

The leaders of the spies' party quickly go over the role of the Tudeh Party in Afghanistan and do not make the slightest mention of the presence of Tudeh elements in the planning, training, propaganda and espionage system of the Marxist regime in Afghanistan. They do not mention the fact that Babrak Karmal, the head of the Marxist regime in Afghanistan, was a student of Ehsan Tabari [former Tudeh Party ideologue] and that the main axis of the Kabul regime is currently the Tudeh's. These are issues that do not require a great deal of time to have their dimensions revealed.

CSO: 4640/27

IRAN CLANDESTINE VIEWS REGIME'S ENVIRONMENTAL POLICY

GF291227 (Clandestine) Free Voice of Iran in Persian 1500 GMT 28 Oct 83

[Text] The efforts of Gulf states to combat the pollution of the Persian Gulf waters has again been defeated as a result of the behavior of the Islamic Republic. According to agency dispatches, the conference of the heads of the marine environmental protection agencies of the Gulf states, which was to be held in Kuwait, has been cancelled due to the refusal of the Islamic Republic representative to attend.

The conference was supposed to discuss solutions and a joint effort to combat the biggest marine pollution case ever. However, the lack of participation of the representative from the Islamic Republic, which is responsible for the continued pollution, has stopped any joint decision. As the dear listeners of the Free Voice of Iran know, the countries of the Gulf states have repeatedly held similar conferences. However, repeated refusals by the Islamic Republic to accept a limited ceasefire so the damaged wells in the Nowruz field can be repaired has foiled all their efforts.

Marine environment experts believe that the lack of participation by the Islamic Republic in the Kuwait conference is tied to reports from the Islamic Republic concerning Iranian capping of a Nowruz well by ordinary labor and aid of miracles. The experts believe that well No 3 is in fact leaking faster than before. They cite the immense oil spill currently going toward Watar as proof and state that the Islamic Republic has not taken even one step so far to repair any of the Nowruz wells since their repair requires complex tools which are only available from a few countries. A refusal by the regime to allow an expert visit to the Nowruz fields has been cited by these experts as further proof for their opinion.

CSO: 4640/26

BRIEFS

ANTIREGIME CHANTS AT TABRIZ FUNERAL--Our news sources in Tabriz report that during a recent funeral held in Tabriz bazaar, a farmer who had lost his 21-year old son in the war, caused strong feelings in the people with his cries of (?revenge) against the regime ruling the country. This (?father in mourning) stood on a chair and shouted: People, during the 53 years of my life I went to the mourning ceremonies for Imam Hoseyn and rubbed mud on my face (?as declared by the mullahs). I cried for him and now that my son has been killed in the fronts the mullahs have sent me a congratulatory message and are sending flowers to my son's funeral, congratulating me on the martyrdom of my son. If martyrdom is to be congratulated and not mourned then why do we mourn the martyrdom of Imam Hoseyn? Which is the right thing: mourning for 53 years and rubbing mud on your head and face or celebrating the death of a child? Tell me which is the right one, this or that? The participants who were strongly influenced by this mourning father showed their hatred for the regime of mullahs by chanting slogans against it. [Text] [GF011022 (Clandestine) Radio Iran in Persian 1330 GMT 31 Oct 83]

REZA'S MESSAGE TO NATION--Reza Pahlavi, son of the late shah, in a message addressed to the Iranian nation has given them glad tidings that the combatant and Iran-loving forces will soon rise up against the dictatorship system ruling our country and the antipeople system of the Muslim-like mullahs will soon be wiped out. In his message Reza Pahlavi said that the renaissance of the people of Iran on the 14th of Mordad last on the anniversary of the Iranian Constitution has terrified the mullahs and has made them to adopt harsh measures toward the freedomseekers in Iran. Reza Pahlavi asked the Iranian people to rise up to save the homeland from the tyranny and cruelty of the mullahs. Reza Pahlavi, in his message, said that if those who are in the service of the regime join the people, they will be entitled to equal rights in the next Iranian regime. Reza Pahlavi stressed that he believes in democracy, independence, and the territorial integrity of Iran and with the help of God and faith in the Iranian people, he will topple the current usurper regime of Iran. [Text] [GF291756 (Clandestine) Free Voice of Iran in Persian 1500 GMT 29 Oct 83]

CSO: 4640/24

U.S. 'INTERFERENCE' IN GRENADA DENOUNCED

GF071430 Karachi JASARAT in Urdu 29 Oct 83 p 3

[Editorial: "American Army Should Withdraw"]

[Excerpts] Pakistan has demanded the withdrawal of foreign forces from Grenada. The Pakistan ambassador to the UN S. Shah Nawaz, in a speech to the Security Council, has attacked the U.S. invasion of Grenada and expressed Pakistan's concern over events in that part of the West Indies. The ambassador pointed out that there has been armed interference by the U.S. forces and by some other regional forces in this small nonaligned country and that Pakistan considers this a dangerous precedent and a source of danger to small countries bordering large states. He said it is not possible for Pakistan to ignore military interference in Grenada and that Pakistan supports the demand that all foreign forces should leave Grenada.

President Reagan has given very flimsy reasons for the U.S. invasion of Grenada. According to the U.S. President, the action was taken to save the lives of Americans in Grenada. He also said that the U.S. took this action to save the democratic institutions in that country.

If one should consider these two excuses as sufficient to warrant an invasion of another country, then no country would be safe. When the Soviet Union invaded Afghanistan it came up with similar excuses. It said that the Soviet action had been taken to save the country from foreign interference. At that time the United States Government did not accept the Soviet excuse and all free world countries condemned the Soviet invasion of Afghanistan. All demanded that Soviet forces withdraw from that country. What was wrong for the USSR yesterday cannot be right for the United States today. The irony is that what the Soviets did in Afghanistan, the United States is doing in Grenada today.

The U.S. and Soviet attitudes show that in this world of advanced technology might is still right and the law of the jungle prevails. The two superpowers of the world seem to be following the same policy. The United Nations, the UN Charter, the Security Council, and all their decisions seem to be following

the same principle. When anything happens at the UN Security Council which is incompatible with the policies of these superpowers, the veto is used to block unwanted decision. This makes the obtaining of justice difficult for the small nations.

To take the edge off the superpower corruption it is essential that the smaller nations forge a greater unity of purpose and try to become a third power and refuse to become standard bearers of the superpowers. They should follow the principles of noninterference in each others' affairs, respect the territorial borders of each other, and prevent the superpowers from interfering in their borders.

In this matter Pakistan has been providing a signal example, as it always condemned expansionism and aggression. Moreover, it has been supporting the states that have been subjected to foreign aggression and those that have been fighting for independence, self-determination and territorial security. If the smaller nations, following Pakistan's example, adopt a real nonaligned policy and at the same time present a united front at the United Nations and in international bodies, we are confident that this would blunt the superpower corruption to a great extent and achieve a peace that may save the world from an atomic war.

CSO: 4656/36

IRAN, IRAQ URGED TO EXERCISE FLEXIBILITY

GF061607 Karachi DAWN in English 1 Nov 83 p 7

[Editorial: "Senseless Fighting"]

[Text] The United Nations Security Council's latest attempt to end the Iran-Iraq war reflects the concern felt in the international community at the dangerous turn the three-year-old war has taken. The U.S. response to Iran's recent warnings that it would block the Strait of Hormuz in case Iraq tampered with its oil exports, has evoked worldwide concern. Given the stakes of the Western world in ensuring a smooth, uninterrupted flow of oil, the U.S. threat to use force to keep the navigational lines open cannot be dismissed lightly. Since any military action by one superpower is sure to evoke a similar response by the other, the situation has taken on an ominous character. Possibly, as an attempt to defuse the tension, the main thrust of the Security Council's latest resolution is centered around ensuring that the oil routes remain open. It calls for an immediate ceasefire around the coastal zones, including "all sea-lanes, navigational waterways, harbour works, terminals, offshore installations and all ports with direct and indirect access to the sea", and calls for the despatching of a team of UN observers to the Gulf to verify and supervise a halt to any fighting that endangers shipping in the area.

The Security Council's effort, however, looks like an exercise in futility, for Iran has already rejected the resolution on the grounds that it had failed to uphold the rights of the oppressed. Earlier efforts at peace whether initiated by the UN, the ICO or NAM [Nonaligned Movement] have also failed in the face of inflexibility. However, this does not mean that attempts at finding a peaceful solution be abandoned altogether. Given the international implications of outside interference, the regional powers cannot afford to remain indifferent to the situation. Efforts should be made to encourage both the combatants to adopt a more flexible stand. Apart from destabilising the entire region, the war which has been going on for over three years now has taken a heavy toll of human lives and has caused incalculable damage to the economies of both countries without giving either side a single decisive military victory. Since it is obvious that neither side has the ability to settle the issue on the battlefield, to continue the fighting is to cause needless sufferings to peoples of the two states. Such senseless violence and wanton destruction of property can only sadden the friends of both Iran and Iraq and weaken the hopes of Muslim unity. In their own interest and in keeping with the political and economic realities of the

region, both governments should be persuaded to look beyond their egoistical considerations and view the matter in the light of the welfare of their people and that of international peace and security.

CSO: 4600/103

BRIEFS

ASGHAR KHAN APPROACHED--Multan, 30 Oct (JANG correspondent)--Tehrik-e Istiqlal's Interim Secretary-General Asif Fasihuddin Wardag has claimed that the governor of NWFP had offered TI chief Air Marshal (Retd.) Asghar Khan to share power in the administration, but Asghar Khan had refused the offer. Mr Wardag stated that NWFP governor pleaded with Asghar Khan not to show too much hostility to the martial law regime. Mr Wardag further stated that Federal Interior Minister Mr Mahmud Haroon, when he met Asghar Khan, had tried to persuade him to meet with President Zia. According to Mr Wardag, his party will not take part in elections held on non-party basis. On the question of a dialogue with the government he said that nothing could be discussed unless MRD leaders are set free and are able to have an exchange of views. [Text] [Karachi JANG in Urdu 31 Oct 83 p 12]

ASGHAR KHAN'S SON GIVEN NOTICE--Lahore, 31 Oct (JANG correspondent)--Punjab University administration has given Prof Umar Asghar, son of Tehrik-e Istiqlal leader Asghar Khan and assistant professor of economics at the university, a "show cause" notice of dismissal from his job for joining with railway workers and students in shouting anti-government slogans at Lahore railway station on 26 October and for his part in instigating the students to jam the engine of Awam Express. Similar notices have been issued to Prof Mahdi Hasan of the department of Journalism, Prof Suhail Ahmad Khan of the College of Commerce. [Text] [Karachi JANG in Urdu 1 Nov 83 p 12]

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